

## Airbus Engine Shelves

Doubt Is Cast On Future of A-340 Jetliner

By Warren Getler  
and Axel Krause  
*International Herald Tribune*

LONDON — The designers of a high technology jet engine that would have powered Airbus Industrie's proposed A-340 aircraft voted Tuesday to shelve the project, throwing the future of the plane itself into doubt.

The company, International Aero Engines, a consortium of U.S., British, Japanese, West German, and Italian engine makers, said it could not meet a 1992 deadline for its new "SuperFan" V-2500 engine, the power plant that had attracted many potential customers to the long-haul Airbus plane.

IAE, citing the "technical risks involved in trying to meet an early 1992 in-service deadline," said it would rather shelve the project than risk it through.

A spokesman said the consortium would continue engineering studies on the \$1.5 billion project that could still lead to a decision to build the engine at a later date.

IAE and Airbus signed a memorandum of understanding last December that provided for certification and delivery of the SuperFan by the planned May 1992 delivery date of the A-340 aircraft.

"The SuperFan concept itself is not in question," an IAE member said. "All we are saying is that the viability at the moment is in question."

The four-nation Airbus consortium had commitments from nine airlines for more than 100 of the A-340 aircraft, which has been pitted against McDonnell Douglas Corp.'s MD-11 and Boeing Co.'s 767 in a contest for dominance in the long-haul segment of the world aviation market.

The bulk of those orders, however, were predicated on the availability of the SuperFan, a propeller-jet hybrid that promised high thrust with relatively low fuel consumption.

An IAE spokesman said airlines that had tied their orders to the availability of the new engine included West Germany's Lufthansa, Air France and UTA of France, Sabena of Belgium, Alitalia Royal Jordanian Airlines, and Finnair.

Although the airline orders represented a crucial first step for Airbus in bringing the A-340 to market,

See AIRBUS, Page 17

## Kiosk

Shultz to Attend Seder in Moscow

WASHINGTON (NYT) — George P. Shultz, the U.S. secretary of state, plans to dramatize the issue of Jewish emigration by attending a Passover seder with prominent Jewish dissidents on the first evening of his three-day visit to Moscow next Monday, the State Department said Tuesday.

The gesture is unprecedented for a secretary of state and comes after recent hints by Soviet officials that they may permit a significant increase in Jewish emigration this year and relax restrictions on the observance of religious and cultural traditions by Soviet Jews.

Fine stockings, like this one from Queen Victoria's wardrobe, are more in demand than ever. Page 10.

GENERAL NEWS

■ Australia has begun to upgrade its military. Page 7.

■ Spanish ambulance drivers joined striking subway workers in protesting anti-inflation measures. Page 2.

BUSINESS/FINANCE

■ A former Volkswagen official was arrested in the foreign-currency trading scandal at the German automaker. Page 11.

## Soviet Is Said to Alter Position on Test Ban

By Michael R. Gordon  
*New York Times Service*

WASHINGTON — The Soviet Union has offered to postpone its demand for a total nuclear test ban and to concentrate first on new testing limitations, according to U.S. officials.

Under a new approach outlined to American officials last month, Moscow now seems ready to treat a complete test ban as an ultimate goal and to work initially toward ratification of two existing test-limitation treaties of the 1970s before other testing issues can be taken up.

The debate over nuclear testing has been part of larger discussion over arms control issues as Mr. Shultz gets ready to leave.

The administration also has been debating whether to modify its current proposals in the Geneva arms talks on the 1972 anti-ballistic missile treaty and on the pace of reduction of long-range, or strategic, nuclear weapons.

On the testing issue, the administration is debating the meaning of a statement made March 19 in Geneva by Andriy M. Petrosyan, chairman of the Soviet State Committee on the Peaceful Uses of Atomic Energy.

In the past, the United States has proposed a three-step approach. First, the Soviet Union would have to agree to the additional verification measures for the treaties of the 1970s, setting a 150-kiloton limit on both nuclear weapons testing and on peaceful engineering explosions. Second, after the treaties are ratified, the two sides would consider additional measures to limit testing. Third, the two sides would ultimately work toward a total ban.

On the second phase, the United See ARMS, Page 6

By Daniel Southerland  
*Washington Post Service*

BEIJING — China once seemed to illustrate how far a Communist country could go in transforming its economy and policies. But with the abrupt removal of its Communist Party chief in January, this vast nation of more than a billion people now appears to dramatize the barriers to change.

The forced resignation of Hu Yaobang, head of China's roughly 40-million-member Communist Party, holds lessons for Communist parties around the world. Within the party, the ablest Mr. Hu was the most forceful proponent of change.

Yet in the view of other party officials, including the paramount leader, Deng Xiaoping, Mr. Hu was stirring expectations and encouraging trends that could threaten the very existence of the party.

The pro-democracy demonstrations by university students that swept through more than a dozen cities in December precipitated Mr. Hu's downfall. But Mr. Deng and the others looked at the demonstrators and saw a much broader threat.

But the dilemma facing all Communist countries is how far they can take reforms

without eroding the Marxist foundations of a central planning and party dominance. By unleashing even some of the forces of the marketplace and democracy, does a ruling Communist Party endanger its own grip on power?

For China's leaders, who have already achieved substantial economic progress from limited change, the risk now is that by going only halfway, they may greatly curtail the benefits they could get from more market-oriented changes.

Mr. Hu, who was widely regarded as Mr. Deng's likely successor, was willing to go faster and farther with radical change than his mentor and beyond the common judgment of the party hierarchy, something that contributed to his downfall.

On Jan. 16, at a hastily convened session of an expanded Politburo, a coalition of veterans forced Mr. Hu to step down. The meeting was packed with elderly party leaders, many of them not members of the Politburo, whose qualifications to decide such a matter in such a forum seemed doubtful.

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## Leonard Prances Into History

Long-Idle Boxer Accomplishes 'Impossible Task'

By Sally Jenkins  
*Washington Post Service*

LAS VEGAS — Never, ever, was this supposed to happen. Sugar Ray Leonard danced, bounded and chattered his way to a history-making middleweight championship Monday night, defeating Marvelous Marvin Hagler by split decision in the backyard of Caesars Palace Hotel.

Call it controversial, call it arguable, but it was the richest, gaudiest prizefight in history, and will also be remembered as one of the most glorious.

Leonard, the slim-shouldered corporate boxer who resigned the 147-pound (66.6-kilogram) welterweight title five years ago, was attempting to make improbable history by claiming the World Boxing Council 160-pound championship from the British titleholder of nearly seven years standing.

At the end, with both men having stayed on their feet throughout 12 hard-fought rounds, the decision was disputable. "It's all politics," said Hagler. "It puts a terrible feeling in my mouth for boxing. It puts a bitter taste in my mouth. . . . I feel in my heart I'm still the champion."

Said Leonard: "I'm not thinking about a rematch. I'm just going to enjoy the accomplishment."

No long-layoff comeback champion had ever attempted to return in a higher weight class, and the 30-year-old Leonard, after just one mediocre fight in the last five years as a welterweight, did not seem likely to succeed in making the transition to a 158-pound middleweight. (Hagler outweighed him by a half-pound).

More than that, no champion had ever successfully returned to the ring following an injury as devastating as Leonard's partially detached retina in his left eye suffered in 1982.

"Everyone called it an impossible task," Leonard said. But in choosing to fight again, he may have proved that there is a compulsive gambler in everyone. After those five mostly retired years of watching Hagler collect glory and winnings that might have been his, Leonard decided to return to the city where time is ignored and where you can get a \$2-a-plate special and a free drink while you take your chances.

Leonard collected an \$11 million guarantee for the fight to \$11.75 million for Hagler, but that was not the point. Leonard already was a millionaire. "This fight meant the world to me."

If there was something vaguely troubling about Leonard's decision to fight again, it was because he had been thought of as a boxer of

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Ray Leonard, bearing down on Hagler.

## The Bully: New Tactics for Treating Old Problem

By Daniel Goleman  
*New York Times Service*

NEW YORK — With the growing understanding of what makes a bully, and the realization that bullying may blind a child's entire life, psychologists are trying new tactics to help youthful tyrants change their ways before it is too late.

The bully, conspicuous in his tormenting of others, victimizes himself through a lifelong pattern of self-defeating aggression and the failures that grow out of it, new studies reveal.

Rapidly accumulating research on the psychology of bullies also shows that the belligerence of these youngsters arises not just from naivete but also from a perceptual bias that leads them to see — and retaliate against — threats where none exist.

"Bullies see the world with a paranoid's eye," said Kenneth Dodge, a psychologist at Vanderbilt University. "They feel justified

in retaliating for what are actually imaginary harms."

Of course, rough-and-tumble aggression is typical of normal children, particularly boys. The bully is set apart by his quickness to start fights, to use force to get his way and his general belligerence. Only a small fraction of boys, those who are extremely aggressive, are thought to fall into this category.

Because girls by large are less physically aggressive than boys, they do not seem to be at risk for the long-term problems that befall bullies. But some of the most aggressive girls, as adults, become the mothers of bullies. Researchers do not yet know whether that is a result of inherited factors or of such things as the severity with which they punish their children.

The recent work adds a new twist to older theories about the roots of human aggression. While Freud saw aggression as a basic human drive that had to be channeled by

the control of the ego and super-ego, many psychologists now feel aggression stems from faulty thinking and a penchant for retaliation that verges on the paranoid.

Some current findings are consistent with such older views as the idea, inspired by the work of Alfred Adler, that the bully is compensating for deep feelings of inferiority.

"We find that bullies have a strong need to control others," said John Lochman, a psychologist at Duke University Medical School. "Their need to be dominant masks an underlying fear that they are not in control, and they mask the sense of inadequacy by being a bully."

Treatment does not challenge those underlying feelings but rather tries to use them constructively.

"We tell the boys that if another kid gets them so mad they blow up, then the kid is controlling them," said Mr. Lochman. "We tell them, 'If they win by not getting mad,'

Even though this approach may

not deal with the child's deeper troubles, it seems to work, at least in improving relationships at school, according to Mr. Lochman.

The new intervention programs focus on younger children, from 4 years of age to 10. "It's harder and harder for kids to change once the pattern is set and time goes on," said Leonard D. Eron, a psychologist at the University of Illinois at Chicago. Mr. Eron published an article on the lifelong patterns of bullies in the January issue of *The Journal of Personality and Social Psychology*.

The bully's aggression is his undoing, Mr. Eron has found. It not only makes him a social outcast, but also interferes with learning; teachers tend to loathe such troublemakers.

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thing to do at this time, but it is inevitable, I think."

Mr. Hong said he would join the

Kims' group.

He agreed that 70 or

more politicians would switch allegiances, but said he doubted they would include the New Korea Democratic president, Lee Man Woo.

The South Korean government faces a problem of rising expectations. Page 8

The original party, created a little more than two years ago, became an instant political force by registering impressive victories in National Assembly elections held in February 1985. Although Mr. Lee was elected as the nominal leader, true control has been exercised by the two Kims.

"With a new party," he said, "after a few days, we can again start our struggle for an amendment to the constitution to provide direct presidential elections."

At least initially, however, the move by the Kims seemed almost certain to further weaken an opposition camp that already was in severe disarray and on the defensive at a critical political moment.

Internal fractiousness has reached a crisis point in recent days. Last weekend, a brawl inside party headquarters led to two politicians being hospitalized with injuries.

For nearly a year, the New Korea Democrats have been locked in a tense struggle with the ruling Democratic Justice Party over how to change the constitutional process of selecting a national leader after President Chun Doo Hwan's term ends next February.

While the opposition insists on direct presidential elections, Mr. Chun's backers call for an indirect cabinet system headed by a prime minister. With time for a settlement running short, the two sides are far apart. In fact, they have held no substantive discussions, and now the chances for compromise seem slimmer than ever.

"It certainly looks that way," said Hong Sa Duk, until recently the official New Korea Democratic spokesman.

Forming a new party, he said, was "really not a good

idea," he said.

"No, I haven't changed my

view of the Soviet Union."

## Ambulance Drivers Join Spanish Strikers in Wage Dispute

*Compiled by Our Staff From Dispatches*  
MADRID — Hundreds of ambulances, their sirens screaming, drove through central Madrid in protest on Tuesday, compounding traffic problems caused by a strike of subway workers.

The protests by ambulance drivers and subway workers were the most recent in a series of labor disputes as workers pressed for wage increases above the 5 percent set by the Socialist government to bring down inflation.

Hundreds of medical students unhappy over job prospects invaded the Barcelona stock exchange and disrupted trading while 8,000 doctors in rural areas began a two-day strike over working conditions.

Doctors and other health employees in state hospitals were due to start another strike across the country on Wednesday to demand better pay and higher government spending on health care.

Other disputes affected metal and construction workers and General Motors and FASA-Renault, the auto manufacturers.

Inflation reached 8.3 percent last year, the first year in which Spain was a European Community member. The government of Prime Minister Felipe González has set a target ceiling of 5 percent this year.

The Communist-led Workers' Commissions hopes to mobilize one million workers this week. The union plans a strike on Friday by

airline and railroad employees, and mass rallies in Spanish cities.

But the union received a setback in its bid for a general strike against government economic policy on Tuesday when the Socialist trade union, the General Union of Workers, turned down an invitation to celebrate Labor Day together on May 1.

The Socialist trade union leaders have sharply criticized the government and joined forces with the Workers' Commissions in specific disputes, but they have said they do not want to enter a general alliance with the group.

### Dissatisfaction Grows

*Paul Delaney of The New York Times reported earlier from Madrid:*

Subway workers staged a strike

For the last three months, there have been numerous strikes by workers and government employees opposed to the 5-percent wage ceiling.

The government has repeatedly urged workers for their support to help it meet its 1987 inflation target and to improve Spain's ability to compete with other EC nations.

(Reuters, AP)

last week that typified the political atmosphere in Madrid this year. The strike was tentative, lasting eight hours on Thursday, and affected about half the system. Such strikes and protests by workers and students recently have presented a nuisance to the public but no threat to the government of Mr. González.

Mr. González, with a Socialist majority in parliament, beat back a no-confidence motion sponsored by the rightist opposition last week. But that does not mean there is much confidence in his government. Dissatisfaction appears to be widespread.

"The political and economic policy of the González government is static, not dynamic," said José Javier Celdrán Matthe, a Madrid lawyer who describes himself as a liberal and who has been a supporter of Mr. González. "The poor are not eating and the rich, the new rich, are getting richer. There doesn't seem to be a social-economic plan for the future."

The unemployment rate among young adults is above 40 percent and the overall rate is around 20 percent.

After coming to office in 1982 committed to a Socialist program, Mr. González turned to austerity measures to hold down spending, revive the economy, check inflation and make Spain more competitive with other European countries.

Socialist Party supporters and members to the left of Mr. González are not as concerned about inflation as he is. Many say he is too moderate. They want more and faster government action to end the strike and to uphold Socialist principles.

## U.S. Army Is Setting Up Hot Line to Catch Spies

*New York Times Service*

WASHINGTON — The U.S. Army is setting up a program with a toll-free telephone number that is intended to help catch spies, discover possible security risks and train soldiers to identify both, army officials said.

An official in charge of the program said Monday that legal and procedural safeguards had been devised in an effort to prevent abuses.

Palestinian sources said rescue workers would evacuate wounded people from both camps on Wednesday.

Palestine Liberation Organiza-

tion guerrillas, mostly loyal to the PLO chairman, Yasser Arafat, withdrew from many of the positions in return for Arafat's lifting of its siege of the Rashidieh camp near Tyre in southern Lebanon.

Beirut radios said the accord provided for the Syrians to occupy at least one position at Burj al-Brajneh to allow refugees to come and go without fear of Amal snipers.

Amal had blockaded the Beirut camps since October.

Militia sources said the Syrian Army, which moved into West Beirut in February, was determined to enforce the cease-fire agreement reached on Sunday between Amal and Palestinian fighters in the two camps.

## WORLD BRIEFS

### Mubarak Party Winning 75% of Vote

CAIRO (UPI) — President Hosni Mubarak's ruling party captured more than 75 percent of the vote in Egyptian parliamentary elections and an Islamic alliance emerged as the new main opposition force, according to partial results released Tuesday.

The government said partial nationwide results showed the National Democratic Party leading with 75 percent to 80 percent of the vote. The party won 72.9 percent in the 1984 elections. The alliance between the Moslem Brotherhood, the Labor Party, and the Liberals was second, followed by the right-of-center New Wafd Party. The Wafd captured 15.1 percent of the national vote in the 1984.

Final results were not expected before Thursday. The elections were called more than two years ahead of schedule to end challenges to the legality of the parliament, which is expected to nominate Mr. Mubarak for re-election in October. It needs a two-thirds majority to do so.

### Price of AIDS Drug Rises by 20%

SAN FRANCISCO (AP) — The cost of AZT, the only approved drug capable of prolonging the lives of AIDS patients, has increased by 20 percent in the three weeks since it received the approval for sale from the Food and Drug Administration. The price may rise even more.

The increase means that patients taking AZT, which is sold under the brand name Retrovir, will pay at least \$32 more a week and about \$2,000 a year for the drug. The manufacturer, Burroughs Wellcome Co. of North Carolina, initially set the price of 100 capsules, a week's supply.

But the National Association of Wholesale Druggists said wholesalers who handled billing for the company would add a 20 percent markup. Analysts of Blue Shield of California, a private health care insurance company, said retail pharmacies might add another 20 percent.

### New U.K. Polls Point to Tory Gains

LONDON (Reuters) — Prospects for an early election in Britain rose Tuesday after two more polls gave the Conservatives a commanding lead.

A Harris poll for the breakfast-time program TV-AM gave the Tories 43 percent of the vote, representing a majority of 132 seats in Parliament, their biggest lead since the party's landslide victory in the 1983 elections.

In The Times of London, a MORI poll gave the Tories a 92 seat majority. It was the sixth poll to show the governing party with a big lead over the opposition Labor Party and the centrist Alliance.

### Japan Party Vows Action on Economy

TOKYO (WP) — The governing Liberal Democratic Party formally pledged Tuesday to speed the growth of the Japanese economy and to pass a "drastic and large-scale" supplementary budget later this year to increase government spending.

The plan will be presented in Washington later this week by Finance Minister Kiichi Miyazawa at a meeting of finance officials from the United States and other industrialized countries.

It is the party's response to increased pressure from foreign governments over huge Japanese trade surpluses and from domestic industries that have been hit hard by the rise in the value of the yen. The Japanese economy grew by only 2.5 percent last year.



### Meese Aided Pentagon Contractor

WASHINGTON (WP) — Attorney General Edwin Meese III has indicated that in 1982 he gave the orders that led to the White House's intervention on behalf of the Wedtech Corp., a military contractor in New York City that was seeking a military contract to be awarded without bids.

Mr. Meese, who was counselor to the president at the time, said at a news conference on Monday that he only wanted to make sure that the South Bronx company, which had met stiff resistance at the Pentagon, got "a fair hearing." He said he took the action in response to memos from a longtime friend, E. Bob Wallach, whom Wedtech had hired as a lawyer in 1982.

The manner in which Wedtech obtained the \$32 million contract, then the biggest it had ever won, has come under investigation by an independent counsel because of lobbying on the company's behalf by Lynda Norziger, a former White House aide.

### Peres, Russians Meeting on Peace Talks

ROME (UPI) — Shimon Peres, Israel's foreign minister, sat down with Palestinian and Soviet observers on Tuesday at a Socialist International meeting called to discuss a possible Middle East peace conference, organizers said.

Mr. Peres joined the organization's Middle East Study Group after arriving from Madrid, where he had discussed the prospects for a Middle East peace conference with King Juan Carlos I of Spain.

The foreign minister attended the meeting as head of Israel's Labor Party, not in his official capacity in the national government. Organizers had invited two members of the Soviet Communist Party Central Committee to the study group meeting.

### East German Official's Son Emigrates

BONN (Reuters) — The son of one of East Germany's deputy defense ministers has been allowed to emigrate to West Germany with his family, according to an account that was to be published in the newspaper Die Welt on Wednesday.

In a report distributed ahead of the publication deadline, the newspaper said that Manfred Gräetz's son, Hartmut Gräetz, was the first member of the East German military leadership to be allowed to leave the country.

The newspaper account said that Mr. Gräetz arrived in West Germany with his family earlier this week and that his whereabouts were being kept secret.

### For the Record

Two Soviet dissidents on a hunger strike were allowed to hold a protest outside the Supreme Soviet for half an hour on Tuesday in support of their demand to be allowed to emigrate to Israel. Vladimir Stepan and his wife, Rosa, and six friends were later moved on by security men. (AP)

The Polish police have detained at least 13 opposition activists in Gdansk and Wroclaw since Sunday, opposition sources said Tuesday. They included Jacki Merkl, a senior adviser to Lech Wałęsa, the leader of the banned Solidarity trade union. (AP)

France will finance the building of new prisons to relieve overcrowding, and state officials will staff them, Justice Minister Alain Chabaud announced Tuesday. The government had planned to permit private enterprises to build and manage some prisons. (AP)

The New Jersey Supreme Court agreed Tuesday to hear an appeal by Mary Beth Whitehead of the March 31 ruling that deprived her of all parental rights to Baby M, the child she bore under a \$10,000 surrogate-mother contract. (AP)

### TRAVEL UPDATE

United Airlines will begin nonstop service between Chicago and Seoul, South Korea, with connecting service to Taipei. This is United's first nonstop service to the Pacific Rim from O'Hare International Airport, according to the airline. (Reuters)

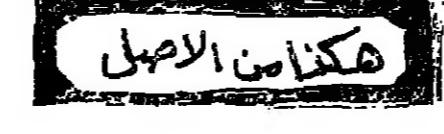
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## In Surprise for Canada, Reagan Vows to Consider An Accord on Acid Rain

By Lou Cannon  
and Herbert H. Denton  
*Washington Post Service*

OTTAWA — President Ronald Reagan has ended a summit meeting with Prime Minister Brian Mulroney of Canada with an unexpected promise to consider a new U.S.-Canadian accord on acid rain controls and an endorsement of the free-trade agreement between the two nations.

While Mr. Reagan and Mr. Mulroney are basically in accord on free trade, the United States has resisted Canada's call for a treaty pledging the two countries to eliminate by 1994 half of the pollution that causes acid rain.

Mr. Reagan unexpectedly added language at the end of his prepared speech to the Canadian Parliament on Monday that said "the prime minister and I have agreed to consider a bilateral accord on acid rain, building on the tradition of agreements to control pollutions of our shared international waters."

Such an agreement on acid rain, patterned after the accord by which the two nations monitor water quality in the Great Lakes, would fall short of a treaty. But it goes further than Mr. Reagan had gone before on the acid rain issue.

Until Monday, U.S. officials had said that the Reagan administration was not prepared to go beyond a proposal announced last month that would commit \$2.5 billion over five years to "innovative" demonstration projects aimed at finding less expensive technologies to control acid rain. The proposal was recommended in a report submitted last year by U.S. and Canadian special envoys.

In his speech to Parliament, Mr. Reagan called that action "an important start."

The White House spokesman, Marvin Fitzwater, called Mr. Reagan's pledge for an accord "a first step" but said the U.S. administration had reached no decision on whether the "mechanism" of internationally controlling acid rain would require a treaty.

A senior Canadian official said that "we don't care whether it's an agreement, an accord or a treaty." But "we want a commitment" for U.S. action, he added.

Mr. Reagan said that the trade agreement, now the subject of intense U.S.-Canadian negotiations, would serve as a model of international cooperation "to all nations that now wrestle against the same temptation of protectionism."

The trade agreement was proposed two years ago by Mr. Mulroney at a meeting with Mr. Reagan in Quebec. The two leaders last met in Washington a year ago.

Canadian polls consistently have shown 2-to-1 approval for such an agreement, as well as skepticism about Mr. Mulroney's ability to negotiate such a pact on terms beneficial to Canada.

Canada and the United States are each other's largest trade partners. Last year, Canada's merchandise trade surplus with the United States was \$806.4 million.

Mr. Reagan's new position on acid rain followed an appeal by Mr. Mulroney in his introduction of the president to conclude "a firm bilateral accord" that would provide a "North American solution" to acid rain.

Emissions from coal-burning power plants and factories turn sulfuric oxides and vehicle exhausts produce nitric oxides that fall to Earth as acid rain or snow. After drifting north, it destroys freshwater life and damages forests and crops in Canada.

In his 25 hours in Canada, Mr. Reagan met twice with Mr. Mulroney and once with the Canadian opposition leader, John N. Turner. The president said that he and Mr. Mulroney had agreed to inject "new impetus" into negotiations on the status of Arctic waters that Canada considers sovereign and the United States views as international.

A furor was touched off in Canada two years ago when a U.S. Coast Guard icebreaker, the Polar Sea, traveled through the Northwest Passage without asking Canadian permission.

Mr. Mulroney has asserted that the waters in question are Canadian "jock, stock and iceberg." U.S. officials are concerned that yielding to the Canadian view would establish a bad precedent that could give support to such claims as Colonel Muammar Gadhafi's assertion of sovereignty in the Gulf of Sidra.

In his speech, Mr. Mulroney pledged Canadian support of the NATO alliance and Mr. Reagan was applauded when he praised Canada for taking "a leading role in the defense of the free world."

But most members sat silently while Mr. Reagan expounded on the merits of the Strategic Defense Initiative, his space-based missile defense plan.

Mr. Reagan was heckled by members of the leftist New Democratic Party when he defended SDI and his aid to the Nicaraguan rebels, known as contras.

But members of Mr. Mulroney's Progressive Conservative Party rose and cheered Mr. Reagan.



President Ronald Reagan and Prime Minister Brian Mulroney in Ottawa on Monday.

## AMERICAN TOPICS

### Here's How to Tell If You're Making It

People who are successful in business today are making double or even triple their ages in thousands of dollars, according to the Research Institute of America, a tax and business research firm.

As quoted by Debra Whitfield in The Washington Post, the institute says you should be making at least \$100,000 a year by the time you are 40. And even that hardly compares with the investment bankers and takeover lawyers who may be making \$500,000 a year before they turn 30.

The institute's rule of thumb applies to business executives only. Doctors, dentists, movie stars and big-league baseball players are on separate tracks, as, indeed, are schoolteachers, members of the clergy and journalists.

### Short Takes

A test on Iowa affairs awaits presidential candidates touring the state, which will hold neighborhood caucuses in February 1988, eight days before the first presidential primary in New Hampshire. Governor Terry T. Branstad said he planned to give aspirants an "Iowa test" of comprehensive questions about rural issues and publicize their answers. "Candidates just hate it," conceded Mr. Branstad, 40, a

Republican, but it provides a chance to "focus national attention on these issues."

This year's maple syrup season is proving even worse than last year's because of warm weather. In early spring, sap will flow from a cut in the tree only if the temperature falls below freezing at night, and rises above freezing during the day. The alternations act as a sort of pump. But this spring, like last, mild temperatures have persisted around the clock. Unless the nights turn cold before the end of this week, output may be worse than last year, when it dropped 17 percent to 262,000 gallons (988,000 liters) in New York state and 36 percent to 338,000 gallons in Vermont. Prices have risen, from \$22 a gallon before last year's bad season to \$29 a gallon so far this season.

Alaskan banks, schools and public offices shut March 30 for Seward's Day, commemorating the signing of the treaty on March 30, 1867, that transferred Alaska from Russia to the United States. Doubters called the \$7.2-million purchase Seward's Folly, after Secretary of State William H. Seward, who promoted it. This year the remote Alaskan Panhandle town of Sitka had its own folly, observing the holiday a week early because of an erroneous calendar circulated by the White Pass & Yukon Railroad. No visible harm was done.

**Shorter Takes:** Nabisco says it has sold 35 billion boxes of its Barnum's Animals crackers since they were introduced 85 years ago. • A federal judge in Fresno, California, dismissed a lawsuit alleging that raisin promoters had stolen an idea for dancing raisins in advertising. The judge said the old notion of drawing arms and legs on inanimate objects cannot be copyrighted.

### Chirac Remembers A Harvard Romance

Prime Minister Jacques Chirac of France, on his visit to Washington last week, got everyone's undivided attention at State Department lunch by telling about the summer he was a sordid jerk working his way through a summer course at Harvard and fell in love with "a very, very beautiful girl from South Carolina."

"I couldn't resist because she called me 'honey chile,'" added Mr. Chirac, 54, while 200 guests sat enraptured and his wife, Bernadette, smiled pleasantly.

The prime minister said he shouldn't be talking about it "in front of my wife, but I was at the time a bachelor." He said that had he married the young lady from the South, he might have become an American citizen but has no regrets "because in your country you cannot run for the presidency if you are not born in your country." Mr. Chirac is a leading candidate for next year's French presidential election.

—ARTHUR HIGBEE

## U.S. Says Soviet Still Spreads AIDS Lie

*The Associated Press*

WASHINGTON — The U.S. government says the Soviet Union is continuing its worldwide campaign to spread the idea that AIDS was created in a biological warfare experiment at Fort Detrick, Maryland.

The Defense Department says the Soviet Union has succeeded in keeping the allegations alive because Fort Detrick was, until 1969, the U.S. Army's biological warfare development center.

Fort Detrick is now the site for some research on AIDS, acquired immune deficiency syndrome, which is caused by a virus that attacks the body's immunity system against fatal infections and cancers.

"The facts have been distorted to support the false charge," the Pentagon said in a recent background report.

The State Department also has protested the Soviet accounts.

The Soviet contention was first published in the October 1985 edition of the Soviet weekly *Literaturnaya Gazeta*. It was immediately denied by the State Department and dismissed as propaganda.

In the last 17 months, however, the Soviet Union has mounted what the Pentagon calls "a continuing disinformation campaign."

The Pentagon said the Kremlin had added to the story while citing alleged scientific experts to lend weight to the allegations.

By the Defense Department's count, the story has been reported since Oct. 30, 1985, by the news media of more than 60 countries, including the United States, in more than 30 different languages.

The most recent repetition was made on March 30 in a story distributed by the Soviet news agency Tass.

"Quite simply, these charges are patently untrue," said Fred Hoffman, spokesman for the Pentagon. "Yet the story keeps going." "It's obviously a systematic campaign," he said. "The technique used has been to plant the story in

friendly newspapers outside the Soviet Union, and then to quote those newspapers as authoritative in the Soviet news organs. What's really troublesome is that this stuff tends to be believed in Third World countries."

Mr. Hartman noted that a prominent Soviet immunologist, Victor M. Zhdanov, had written of evidence indicating that "the disease originated in Central Africa, that it may be related to a similar virus found in monkeys, and that it may have existed for several thousand years or may have evolved from another virus."

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# INTERNATIONAL HERALD TRIBUNE

Published With The New York Times and The Washington Post

## An Epidemic of Traitors

The American Embassy in Moscow contains a chamber specially secured against Soviet eavesdropping. But even this bug-proof bubble may not be secure enough for use by Secretary of State George Shultz during his forthcoming visit to Moscow. The Marine Corps guards who let the KGB roam the embassy may have compromised almost everything done there. And the continuing revelations are only the latest of many damaging security breaches.

The sobering lesson is that too many people in positions of trust are willing to betray secrets, and government is unwilling to take adequate countermeasures.

The usual lure of greed or sex seem to have been the motive in the marine cases. What is new is the extent of this appalling activity — 26 espionage convictions in the last three years. Much of the damage could have been prevented by simple precautions like more screening, changing partners in protected areas, altering routines. It would not have taken a genius, only attention and good sense, to have averted the marines' dereliction and some of the other disasters.

• The spy ring run by John Walker sold the technical manuals for the navy's cipher machines and key cards. These probably enabled Moscow to decipher millions of messages over 17 years until 1985, leaving the navy essentially naked to Soviet view. The theft, in the navy's estimation, "created powerful war-winning implications for the Soviet side." It also afforded such complete knowledge of U.S. cryptography and communications that the security of all except totally new systems may be open to doubt.

• Ronald Pelton, a 14-year veteran of the National Security Agency, betrayed an intelligence collection project to Soviet agents

and probably his knowledge of the 57 main Soviet communications signals that the agency tries to intercept, one of which was at the highest level of the Soviet government.

Edward Howard was trained by the CIA to service agents in Moscow. Fired before taking up his post, he defected, probably compromising operations in Moscow.

The cumulative damage, noted a Senate

Intelligence Committee report last October, was immense and "far greater than anyone in the U.S. government has yet acknowledged publicly." Despite the damage, and specific warming in 1985 of the Moscow embassy's vulnerability, the State Department took no

adequate steps to improve its security.

Does Washington take security seriously enough? By trying to guard too many secrets, it has kept far too few. If the navy could not protect its precious cipher machines, what could its security system do? Why did the National Security Agency allow one low-paid employee such wide knowledge? How could the CIA overlook something obvious like Mr. Howard's instability before teaching him the workings of its Moscow station?

The blame for these breaches lies not principally with the agencies but with the spies themselves. To judge by arrests, there have been more traitors than at any time since World War II. Spies then had reasons of ideology. Today's seem to commit their acts of betrayal casually and for cash. People are selling out easily.

The administration has begun to prosecute spies more vigorously, which in part explains the greater number of cases in public view. But as each chilling new breach becomes apparent, it is hard to see what lessons have been truly learned.

— THE NEW YORK TIMES

## Childbirth Often Kills

For women in the developing world the most worrying question about pregnancy is not "Will it change my life?" but "Will it end my life?" Reducing this maternal mortality rate — a goal recently, and commendably, set by the World Bank — depends heavily on birth control and health care services. Sadly, in the last three years the U.S. government's commitment to this noble cause has continued to diminish.

Indeed, women ought to bear children between the ages of 18 and 35, probably have no more than four and space them two years apart. For a woman in Kenya, say, or in Bangladesh, the ideal is far off: childbearing often begins with puberty and ends with menopause, assuming that the woman lives till menopause. Women in poorer countries may be 100 times more apt to die in pregnancy or childbirth. A quarter of the deaths that occur before term are the result of illegal abortions.

An estimated 500,000 pregnant women die each year. At a recent conference in Kenya, the World Bank launched a campaign to cut that in half by the year 2000. Barber Conable, the bank's president,

— THE NEW YORK TIMES

## Kemp: A Damp Match?

"There is nothing wrong with America that cannot be fixed," So said Jack Kemp, in announcing his candidacy for president on Monday. He adds — echoing Ronald Reagan's impatience with those who ask Americans to lower their sights and trim expectations — that "there are no limits to our future if we don't put limits on our people." We like Mr. Kemp's optimistic, can-do approach. But we believe that the solutions he has come up with for the big problems of our time are among the worst ideas being offered by anyone.

Give candidate Kemp credit, nonetheless, for risking public positions that may prove unpopular. He calls for a "strategy for victory" and "support for the legitimacy of freedom-fighter movements around the world," meaning in particular the Nicaraguan contras, a cause not currently very popular with voters. He calls for "once again, an honest dollar, a dollar as good as gold" — by which he means a return to the gold standard, a truly awful idea.

Equally awful is the supply-side fantasy that he continues doggedly to uphold. "More growth, more jobs, lower interest rates and less government spending" are all desirable aims, but they will not do what he says they will — balance the budget.

Mr. Kemp oversimplifies when he says that there is no "way to protect" the United States without the Strategic Defense Initiative.

— THE WASHINGTON POST

## Other Comment

### For a Middle Road on Trade

There certainly are problems of fairness in international trade, but protectionism and bilateral agreements to restrict exports are not the answer. Because these arrangements delay needed economic restructuring, their ultimate victims are the very countries they were supposed to protect. Competition can only be beneficial when free from artificial restraints.

The American concept of free trade is defensive and rooted in a bilateral mentality; that of GATT is offensive and multilaterally oriented. If GATT is to regain its role as an international legal framework for trade, it must pursue a multilateral, non-

discriminatory orientation based on the reciprocity of rights and obligations.

— Neue Zürcher Zeitung (Zurich)

### No Blessing From the Pope

Those who feared that by spending six days in Chile the pope might be drawn into conferring a certificate of respectability upon the odious General Pinochet have not been vindicated. They shock hands; they even prayed together. But the pope repeatedly condemned the use of force, specifically state violence, especially torture.

— The Guardian (London)

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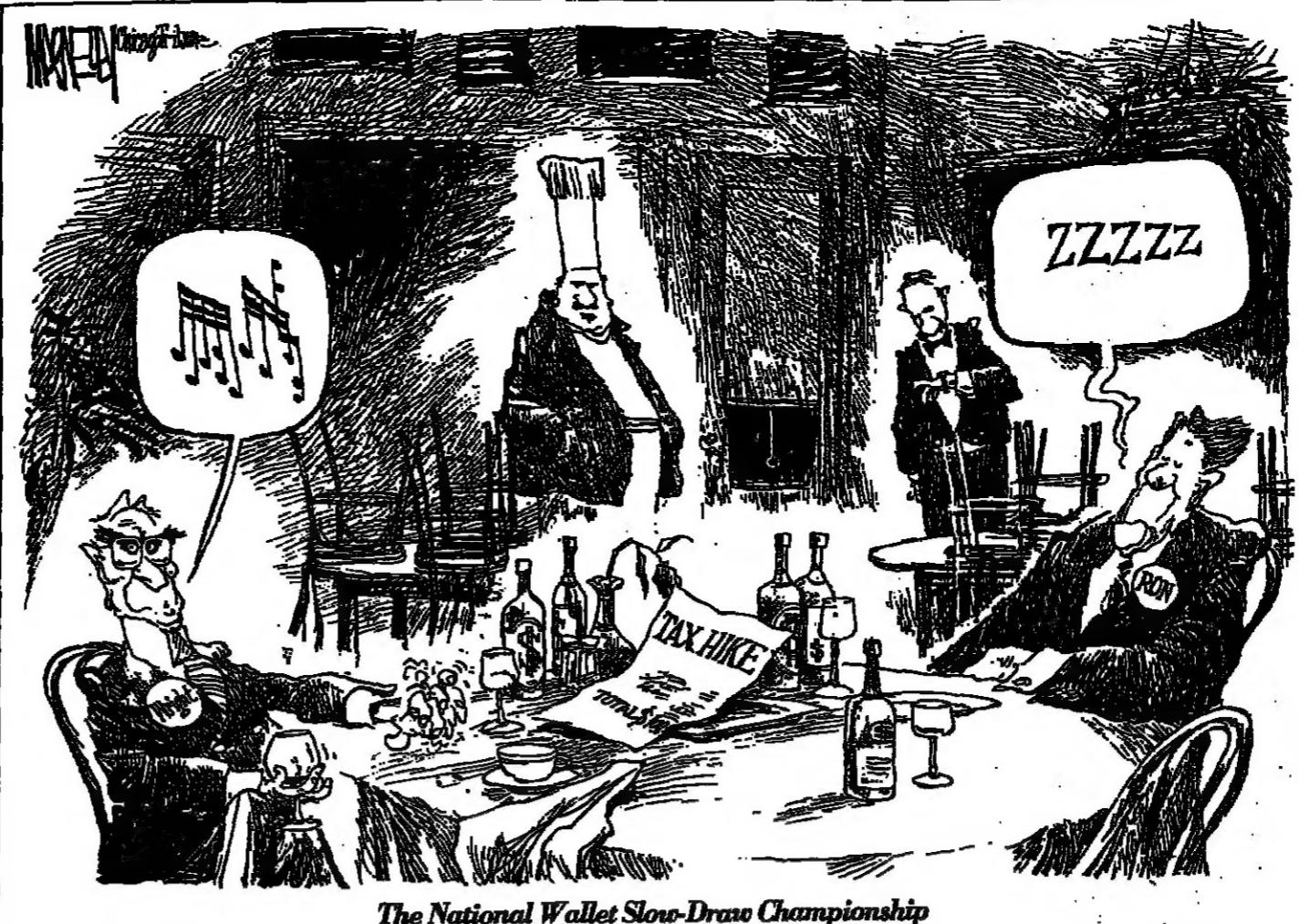
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The National Wallet Slow-Draw Championship

## Japan and the West: Causes and Goals Are Mutual

By Shoichi Kojima

**P**ARIS — There was a time when Western views were generally considered right by the Japanese and Western suggestions were found convincing.

But a rapidly changing and more sophisticated Japan, and a more complex and interdependent world, no longer allow stereotypical arguments to remain credible.

The present situation can be better understood and more constructive dialogue becomes possible, if these three terms are kept in mind: mutuality, relativity and generality.

### First, mutuality.

The following line of argument lies at the core of much Western opinion: "The Japanese are not only dumping overproduction abroad, but are also exporting excessive savings in order to enable others to buy their products." The fallacy here is that an elementary fact of economic life is ignored: it takes two to make an economic transaction.

A willing seller or lender cannot complete a transaction without an equally willing buyer or borrower. An economic phenomenon is determined by both sides of the market, based on mutual interests. A trade account need not balance all the time in the dynamic world, since it is financed by offsetting international capital flows. Those who adhere to the above line of argument should accept the following as well: "The United States is sucking

capital from Japan to finance its appetite for Japanese products."

The reality is that America and Japan nowadays rely on each other's complementary characteristics: Japanese are *sen-yu, ko-ruku* (worry first, enjoy later), while Americans are *sen-ruku, ko-yu* (enjoy first, worry later).

The American consumer wants quick satisfaction through his own government spending; the American company wants quick profits. The Japanese consumer prepares for future spending; the Japanese company cares about strengthening its competitiveness in the long run. No value judgment is possible as to which is better, but if problems exist, the causes must be sought on both sides.

### Second, relativity.

Even those who understand mutuality often insist on the egocentric assumption that the West sets absolute standards, any deviation from which should be corrected. The idea that Japan's savings rate is too high and its import propensity too low is often seen as specifically Japanese.

A typical example is the argument that Japanese manufacturers are reducing their profit margins to maintain their market share. In fact, the uncertainty of floating exchange rates requires any business of any nationality to use profit margins as a buffer to keep its activities as stable as possible. Indeed, U.S. firms are

their consequences. If the relative differences are the problem, again the cause must be sought on both sides.

The same can be said about Western criticism of the quickening pace of innovation in Japanese industry, as witnessed by the widespread use of robotics in production lines or the flourishing of consumer electronic products. As the economist Joseph Schumpeter pointed out more than 50 years ago, it is inevitable that a successful entrepreneur will quickly notice an opportunity to make a profit and will fill this vacuum with new products, or the application of new production methods, rendering what preceded obsolete. Entrepreneurs who are slower to "take off" should be stimulated by those who are faster.

### Third, generality.

The Western obsession with finding the "secret" of Japanese behavior leads to wrong thinking whereby general economic phenomena are erroneously seen as specifically Japanese.

A typical example is the argument that Japanese manufacturers are reducing their profit margins to maintain their market share. In fact, the uncertainty of floating exchange rates requires any business of any nationality to use profit margins as a buffer to keep its activities as stable as possible. Indeed, U.S. firms are

currently enjoying expanding profit margins, as they did in the late 1970s.

If these three checkpoints are kept in mind, a more constructive dialogue aimed at economic rationality should be possible. Japan's "sen-yu, ko-ruku" and America's "sen-ruku, ko-yu" are rational only if Japanese actually start enjoying higher living standards and Americans actually begin to worry about their debts. This requires change in consumer attitudes and corporate behavior on both sides. To act otherwise is economically irrational and would be interpreted by foreign exchange markets as "unsustainable."

The cooperative approach now being implemented by industrial countries points in the right direction. There is a danger, though, that each country will urge the others to act first, without reciprocating. Also, vested interests will try to prevent economically rational changes and will demand irrational decisions. U.S. protectionists is a foremost threat in this regard.

Still rationality should eventually prevail. The recent situation only strengthens the case for decisive commitment to a cooperative approach, in the service of mutual interest.

The writer, counselor of the Japanese delegation to the OECD, contributed this comment to the International Herald Tribune. The opinions expressed are his own, not those of the Japanese government.

## American Pressure on Seoul Could Prove Disastrous

By Hong Choo Hyun

**S**EOUL — South Korean dissidents have recently stepped up their lobbying campaign in the United States, urging American congressmen to exert political pressure on President Chun Doo Hwan to accept a particular brand of democracy. Yet while some of these legislators may have nothing but good intentions, too much meddling on their part could jeopardize the progress that has already been made.

By promising to step down in 1988, President Chun set off a political debate over what form of government South Korea should have. The constitution must be revised before an election can be held later this year, and this has created a dispute over whether the new leader should be chosen through a parliamentary system, which the ruling party has proposed, or through direct election, which the opposition party favors.

Without reiterating the vast differences between the situations in South Korea and the Philippines, there are many reasons why America should view with extreme caution these elections to American intervention.

First, with South Korean political forces groping toward a compromise, any outside intervention would harden the negotiating positions.

Second, direct intervention, or even the perception of it, could fuel the strong nationalistic sentiments of South Koreans, which are not necessarily confined to radical students, and could trigger

the details of restructuring the constitution.

But the political parties of South Korea should be left to themselves in making the final choice.

Some Americans have suggested recently that the United States may have a role to play at this juncture in South Korea's political development. Perhaps a nudge here, a gentle shove there, suggest. Some of this echoes the U.S. role in the Philippines early last year.

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First, with South Korean political forces groping toward a compromise, any outside intervention would harden the negotiating positions.

Second, direct intervention, or even the perception of it, could fuel the strong nationalistic sentiments of South Koreans, which are not necessarily confined to radical students, and could trigger

anti-Americanism or even violence that would disrupt the political process.

Third, because of the perceived role of the United States in the Philippines, any sign of direct U.S. interference would create the impression that the United States is siding with the opposition to overthrow the government.

Fourth, and perhaps most significant, South Korea is not a dismasted country whose leader is trying to prolong his rule while indulging in corruption and criminal extravagance. It is a country with an excellent record economically and politically with a record of a free and fair election for the present National Assembly. That election remains fresh in people's memories.

Interference, even from a friendly ally, would be counterproductive at best and disastrous at worst. The course of wisdom calls for American restraint and patience, and faith in the good sense of the South Korean people, who share democratic values, to handle their own affairs.

The writer, a member of the National Assembly in Seoul, contributed this to The New York Times.

## In Chile, a Doctor's Duty Can Make Him a Criminal

By Jane Green Schaller

**M**EDFORD, Massachusetts — As Pope John Paul II arrived in Santiago last week, a young doctor awaited trial in a prison cell downtown, accused of terrorism. His supposed crime is treating a man with a bullet injury. His real "crime" is that he is medical director of Vicaria (he had been imprisoned for six months); and Dr. Juan Macaya, a veteran in pediatrics and public health, who had been in jail for eight months. The third doctor, Ramon Rojas, was free on bail and sat in front of me.

There was little sense of hope in the stuffy air of the chambers. Only lawyers were allowed to address the five justices and one military general who sat to hear the case. There were no witnesses, no cross-examinations. Three Vicaria lawyers spoke eloquently, citing the ethics codes and professional duties of doctors and lawyers. Two prosecutors spoke brutally for the government, trying to link the defendants and Vicaria to terrorism. Their silent witnesses included Dr. Alejandro Aravena, whose confession was cited as evidence against the Vicaria. But he could not be questioned; he was in prison. After four hours, the court adjourned.

The defendants had cared for a wounded man who was a terrorist. I had met with the doctors and others involved in the case. Vicaria and the medical association were convinced that these professionals had been following their codes of ethics, which state that doctors must aid the sick or injured regardless of political considerations. Physicians for Human Rights was troubled by such state persecution of professionals fulfilling their duties.

I began to explain that ethical codes govern and humanize medicine, and I mentioned the horrors that result when such codes are neglected — horrors such as those perpetrated by the Nazi doctors. The reporters, intent at first, now stopped writing. Plainly embarrassed, one of them explained: "We can't publish that. The papers are controlled."

Dr. Aravena's mother said he was held incommunicado for 16 days and had in fact signed a confession implicating Vicaria in terrorism. When she visited her son in prison he was confused, she said, and "didn't realize what had happened."

Dr. Aravena's mother was only one of a number of people I met whose family members had been detained as alleged terrorists since December. These prisoners included several health-care professionals. Some have been held incommunicado for as long as 46 days. Some, it is certain, have been cruelly tortured. Under such circumstances, any "confession" must be considered invalid.

The Supreme Court verdict came on Jan. 27. The doctors lost their appeal, by votes of 4 to 2 against Dr. Olivares and Dr. Macaya, and 5 to 1 against Dr. Rojas. In a second hearing March 26, charges against Dr. Olivares were upheld. Charges under the terrorism law against Dr. Macaya were dropped, leaving him still to face charges under the Arms Control Act.

The next day, as I emerged from an appointment, a sad but handsome woman thrust

## OPINION

مکانیزم الکترونیک

**These Days, Turning Up  
The Radio Is Not Enough**

By William Safire

**WASHINGTON** — Every American visitor staying at a Moscow hotel comes back with the same story. You discover the bathroom has no soap. You say loudly and angrily to nobody in particular: "What kind of backward country is this, no soap in the bathroom?" And a few moments later, as if by magic, the chambermaid taps at the door bearing a bar of soap.

The bugging of rooms, like the knowledge of English by drivers who profess to

## ESSAY

speak not a word of it, is taken for granted by Americans in the Soviet Union.

At the 1972 summit meeting, when the "clean room" in the U.S. Embassy was occupied by Henry Kissinger and his aides, a group of Nixon assistants were forced to hold a strategy session on public relations in a Moscow hotel room. Ron Ziegler turned the radio up loud. John Scali rattled his teacup in his sacerdotal robe. Herb Klein, speaking in a whisper, kept banging his foot against the coffee table. I was supposed to be taking notes at that meeting but could not hear a thing.

Coming back from a Moscow trip, Treasury Secretary George Shultz took his seat in the plane, sighed and remarked how good it was to be able to talk in a different kind of society, free of the fear of being overheard. (I remember thinking bitterly of that moment when the revelations came of the secret Nixon wiretapping and the White House taping system.)

Now Secretary of State Shultz will be going to Moscow next week more worried than ever about the security of communications. The U.S. Embassy

was penetrated by Mata Hari's great-granddaughters and tiny transmitters are suspected of infesting not only the chandeliers and salshakers but also the typewriters and computers.

U.S. diplomats there who used to scoff at demands by hard-liners that Soviet citizens be denied embassy access are now reduced to writing messages in long-hand. Visitors are urged to bring a children's toy that enables you to write on a slate and make the message vanish by pulling up the plastic covering. Mr. Shultz will have to drive to the airport to use his plane for secure communications

home, unless he can bring a trailer along with an unpenetrated scrambler.

Even as this rape of America's national privacy takes place, we are told that the new U.S. Embassy building is already compromised with eavesdropping devices. Senator Patrick Leahy, who with Senator Patrick Moynihan led the long fight to enhance embassy security, suggests tearing the whole thing down and starting from scratch.

Why does the U.S. government not complain, as it did when the Soviets bombarded the Moscow embassy with radiation and dusted doorknobs with carcinogens? The answer is simple: U.S. agencies try to eavesdrop on their communications everywhere. That takes some of the zing out of American moral indignation.

The Soviets are more careful. Soviet construction men built their new embassy in Washington; their nationals do all the menial chores. What can we Americans do to make certain the Soviets are not stealing more from us than we are from them? Retaliation is an obvious answer: no opening of the embassy in Washington until a second embassy in Moscow is assured.

The less obvious answer has to do with a new strategy of communications security. For a generation, U.S. policy has been to stamp as top secret anything to do with eavesdropping countermeasures. The result has been a good offense and a lousy defense.

When I wrote that the Soviets were using the embassy on Washington's Mount Alto to direct listening-lasers at the White House windows, and that the White House was attacking vibrators to the windows to counter that snooping, a caller suggested that I had breached security. That is nonsense; the Russians can hear American windows rattling, just as they could hear the Scall teacup and the Klein stamping foot.

It is time that U.S. technical publications began speculating about reasons for weakness in the latest anti-bugging technology. Fear of America's anti-espionage laws has not led to security but to suppression of the truth about its weakness.

Americans have a nonexistent defense because they have concentrated on offense. And they have an administration that, in a related field, has adopted a policy of a space shield, which has revolutionized the mad reliance on offense.

Where is the Personal Defense Initiative? Why has the field of resistance to snooping been neglected? Why can't an electronic shield be placed around U.S. embassies? Why can't that technology be used to let Americans of the future protect themselves from unwanted intrusion from any quarter?

The New York Times

**Moscow's Old City Is Finding A Valuable Ally in 'Glasnost'**

By Kathleen Burton-Murrell

**MOSCOW** — The quiet back streets of old Moscow, although not as strikingly beautiful as in the days of Napoleon, still offer many delightful old corners and unexpectedly lovely views.

Old Moscow's medieval architecture was, after all, genius. Now, after a half-century of neglect and destruction,

other purposes; in Red Square, the great Kazan Cathedral was pulled down.

After Stalin's death in 1953, a new restoration program began. But in the late 1950s, Khrushchev began a huge housing program, and many once-protected buildings were torn down.

With Khrushchev's departure, old Moscow got a new reprieve. The Society for the Protection of Monuments was founded; many buildings were saved. But excesses continued.

Then, in 1985, Mikhail Gorbachev came to power, bringing tremendous new energy. Within nine months, the Moscow first secretary, Viktor Grishin, and Mayor Vladimir Promyslov — the guiding spirits behind the city's housing program for 20 years — were replaced by Mr. Yeltsin and Valery Saikin, the former boss of the giant Zil auto factory.

Mr. Yeltsin, along with Yegor Ligachev, the Politburo member most concerned with the arts, spoke out in the 1986 party congress on the need to preserve the old center of Russian cities. Official blessings of preservation have unleashed pent-up bitterness over the loss of many buildings. News articles decry the loss of particular buildings, sometimes naming those considered responsible. Respected writers publicly lament the loss of parts of the old city. A pressure group has developed in favor of rebuilding particular monuments.

Dull, functional constructions like the recently completed October Square or the Garden Ring Road are alien to the old center of Moscow, and at last everyone is saying so. There have been proposals that all architectural competitions for buildings in central Moscow be held openly. The criticism is loud.

Mr. Yeltsin recently announced that the Church of the Ascension, where Pushkin was married, will (after 10 years of persuasion) be rid of the Energy Ministry and be turned into a concert hall. He also met with young Moscow architects, some of whom opposed a huge war memorial then under construction; in August, the Politburo decided to halt work and open a new competition.

As Mr. Yeltsin told journalists, "The traditional Moscow coziness will be returned to the center of the capital."

An old lady who now lives in a modern suburban apartment told a television interviewer recently that she takes every opportunity to return to her beloved Sretenska neighborhood.

How, she was asked, could she be nostalgic for the crowded life of a communal apartment? She smiled sadly. What she missed was the charm of the old streets, the sense of links with the past.

The writer is author of "Moscow, an Architectural History." She contributed this comment to *The Washington Post*.



## LETTERS TO THE EDITOR

## A Case of Mistaken Identity

J.E. Marsh's identification of Rafael Eitan, the alleged spymaster in the Pollard case, as "the former Israeli Army chief of staff" (*Letters*, March 31) allowed Mr. Marsh to express certain opinions on the Pollard case. There is, however, a case of mistaken identity here. The alleged spymaster is not the retired general.

BARUCH HURWICH,  
Jerusalem.

Eitan is a common Hebrew surname, and Rafael is a common given name. Israelis distinguish between the two Eitans by calling the former chief of staff Rafi and the alleged Pollard contact Rafa. The two men are unrelated.

Rafi Eitan was not found "indirectly responsible" for the massacre at the Sabra and Chatila refugee camps in 1982. Rather, he was reprimanded for the intelligence failure to foresee the murderous intentions of the perpetrators.

J.E. Marsh confuses different men, and the conclusions he draws from this misidentification are accordingly silly.

DORON ARAZI,  
Freiburg im Breisgau, West Germany.

**UNESCO and the Press**

While sharing Jonathan Power's concern over limitations on freedom of the press ("Around the World, a Much-Maligned Press Needs a Champion," April 1), I must emphasize that the main thrust of his column reflects two serious oversimplifications.

The notion that Third World countries

have a monopoly on violations of press freedom ignores the reality of threats to press freedom all over the world and across the ideological spectrum.

Second is the inference that the UNESCO debate on the New Information Order is mainly responsible for the threat against freedom of information.

This ignores both the established consensus in UNESCO on communication issues and the fact that the Western nations are strongly advocating at the United Nations that the General Assembly adhere to UNESCO's definition of the New Information Order.

This debate is too important to be treated lightly. It is an attempt to bridge the dangerous communication gap between North and South and thus combat prevailing misunderstandings. It is wishful thinking to believe that the main terms of this debate will vanish overnight with a change of leadership at UNESCO.

In its Constitutional Act and in its activities (studies on censorship, self-censorship, and the watchdog role of the press) have been undertaken in 20 countries since 1984, UNESCO is committed to press freedom.

DOUDOU DIENE,  
UNESCO Spokesman,  
Paris.

The Singapore government has not "intimidated and indirectly censored the foreign press," as Mr. Power states. It is the foreign press which has directly censored the Singapore government. Both

Time magazine and The Asian Wall Street Journal refused to publish official letters correcting errors of fact in articles on Singapore. (Time magazine has since printed Singapore's letter of correction.)

DAVID MARSHALL,  
Ambassador of Singapore,  
Paris.

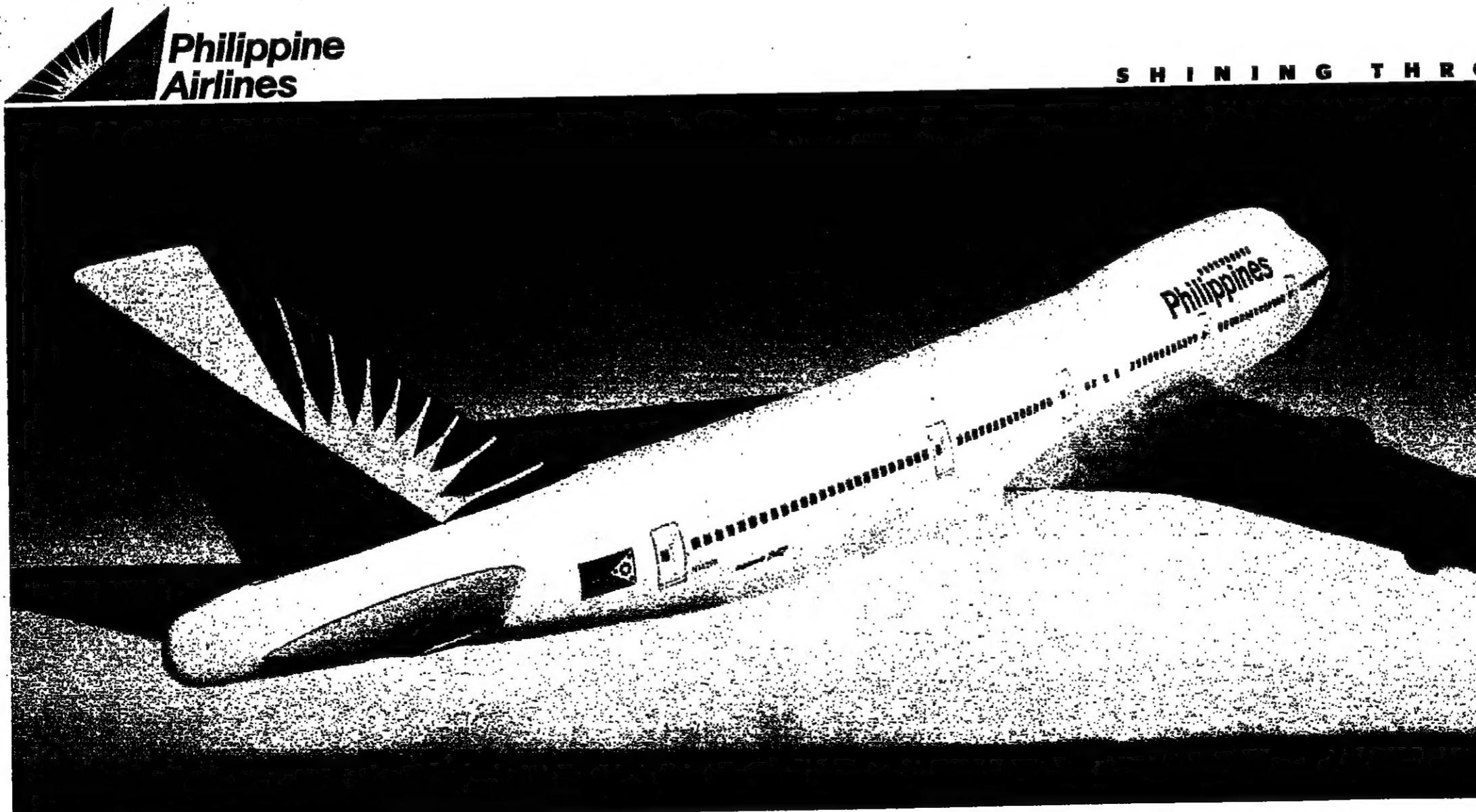
## He's Got It Down Cold

In "Greepace Presses for an Antarctic Park" (Jan. 26), you reported that "the four Greenpeace scientists plan to spend the seven-month-long sunless winter studying fish populations, krill and body heat loss."

I feel they may be better employed brushing up on their basic arithmetic. Cape Evans stands at 77 degrees 38 minutes south latitude, 166 degrees 24 minutes east longitude. At this latitude, by my calculations, the sun should set for winter on April 23 and reappear at the end of the sunless winter on Aug. 21. By no stretch of the imagination can this be regarded as seven months. In fact, it is physically impossible to have a seven-month sunless winter. Even at the South Pole it is only six months of dark and six months of continuous sun.

J.M. ROSCOE,  
British Antarctic Survey's  
Commander at Base Halley,  
75 degrees 35 minutes south latitude,  
26 degrees 46 minutes west longitude.  
(Sunset May 1, sunrise Aug. 12.)

## SHINING THROUGH

OUT OF THE BLUE,  
PHILIPPINE AIRLINES COMES SHINING THROUGH.

At Philippine Airlines we're flying with a new look, a new purpose and a new commitment to maintaining Asia's first airline as Asia's finest airline.

But through all the changes, one thing remains the same.

The natural warmth and charisma of the Philippines still shines on all our flights to 26

cities in 21 countries around the world.

Some things you can change. And, happily, some things you cannot.

## Capsized British Ferry Is Righted in Salvage Operation Off Belgium

By Peter Maass

*International Herald Tribune*  
ZEEBRUGGE, Belgium — The Herald of Free Enterprise was rolled into an almost upright position Tuesday and divers renewed a search for bodies of passengers trapped when the ferry turned over on March 6.

The righting of the vessel was carried out in a salvage operation that took eight hours to complete. The job involved about 140 salvage workers, three barges equipped with reinforced cranes, two pontoons carrying hydraulic winches and a flotilla of support vessels.

The salvage operation is said to be costing about 10 million Dutch guilders (about \$5 million.)

There were unconfirmed reports that several bodies were recovered from the ferry as the righting operation was completed. They apparently were shaken loose from inside the vessel when it was being rolled over.

By late Tuesday night, however, there was no official report that any bodies had been brought out of the wreck.

The Herald of Free Enterprise, operated by the British company Townsend Thoresen, suddenly fell onto its port side in about 30 feet (about 9 meters) of water on March 6 as it left Zeebrugge on an evening run to Dover, England.

The accident may have been caused by a ballast problem that allowed water to flow through the vessel's bow doors, which apparently were left open.

At least 543 people were on board when the boat capsized al-

most a mile from the Belgian port and 409 of the passengers and crew members escaped. So far, 61 bodies have been recovered, and Townsend Thoresen says it believes 73 more people are trapped inside.

However, the British police say that as many as 600 people may have been on the ship. If this estimate is accurate, then about 140 bodies may still be on the ferry. That would push the death toll to nearly 200.

Amid good weather conditions, the ferry was slowly rolled onto its keel on Monday by a combination of lifting from the cranes and pulling from the winches. The vessel, which remains three-quarters submerged, was then lashed into place as divers and other salvage workers started their search.

The port side of the 7,951-ton ferry, which had been resting on the ocean bottom, showed the marks of a maritime disaster. The white upper decks were scraped and twisted in many places, while several of the vessel's port lifeboats were virtually crushed.

Netts have been placed around the boat to prevent bodies or other objects from floating away. Belgian naval vessels and private barges also are patrolling the area — partly to keep sightseers away, but also to catch any bodies that might slip through the netting.

The salvage operation, organized by the Dutch company Smit Tak, unfolded without any severe difficulties after weeks of preparations.

The initial hour or two had been considered the most difficult — experts worried that the vessel's hull

could be torn apart by the pressure of pulling and lifting.

That did not happen, and the only hitch occurred when a small oil slick spread out in the morning on Tuesday. The oil, which may have come from tankers stuck in the ferry's vehicle hold, was contained by special pontoons spread out between several support ves-

sels.

The process of retrieving bodies and refloating the wreck could take as long as two or three weeks. Salvage officials say they expect a speedy removal of bodies from the ship's upper decks, but those trapped below may take longer to locate and extract.

During the two- or three-week period, the broken windows and open doors of the vessel — including the giant bow doors — are to be sealed shut. The seawater will then be pumped out, which will allow the ferry to float and be towed into port.



E. Pfeil/The Associated Press

### Kohl Welcomes Herzog to Bonn

West Germany's chancellor, Helmut Kohl, right, welcoming Israel's president, Chaim Herzog, in Bonn on Tuesday, the second day of Mr. Herzog's five-day stay in West Germany. Mr. Kohl told Mr. Herzog that the Nazi extermination of Jews never can be expunged from history and that Germany accepts responsibility for it. "The period of genocide is the darkest chapter in German history," Mr. Kohl said at a luncheon speech.

### Profits Law Imperils Yugoslav Firms

Reuters

BELGRADE — More than 2,000 Yugoslav companies employing almost 600,000 people recorded losses last year, and about 200 of the companies could face liquidation, a trade unions official said Tuesday.

The official, Dusan Kocicjevic, a member of the Presidency of the Confederation of Trade Unions of Yugoslavia, said the information was presented at a meeting of trade union leaders on Monday in Belgrade.

Mr. Kocicjevic said that 2,306 companies recorded losses in 1986 and that 200 were in "immediate danger of liquidation" because they failed to cover losses from as far back as 1985.

A bankruptcy law that is to take effect in July requires that companies losing money will have six months to recover their 1986 losses. Such companies will be required to

reduce wages to the minimum level. Those that fail to recover face liquidation.

Senior officials have been quoted in recent weeks as saying that applications of the bankruptcy law could cause further industrial unrest in Yugoslavia. There have been widespread strikes in the past month against a wage freeze.

Mr. Kocicjevic said the authorities had frozen the bank accounts of about 25 percent of Yugoslav enterprises at various times last year for failing to meet business obligations.

The Belgrade daily Politika Ekspres reported Tuesday that many companies were often late in paying even minimal wages to workers, and that workers in some companies had not received any wages this year.

Another newspaper, the Zagreb daily Vjesnik, reported Tuesday that thousands of workers were be-

ing paid less than the minimum wage for their regions.

Yugoslavia has an annual inflation rate of nearly 100 percent. A partial wage freeze imposed a month ago, while living costs were allowed to rise, triggered a wave of strikes. Some prices were rolled back last month, but economists have expressed skepticism about the effectiveness of the move.

The cost of living in March was 94.8 percent higher than a year earlier, according to official figures, but unofficial estimates put inflation at 130 to 140 percent.

Prime Minister Branko Mikulic, in his economic plan for 1987, insisted on higher productivity and growing exports.

But exports have fallen 17.8 percent so far this year, and some companies have been forced to reduce output because they lack hard currency to import materials or equipment.

Officials from the State Department and the arms control agency favor exploring this approach, even though it would mean shifting from the position that talks on additional limits not begin until the monitoring of the 1970s treaties is resolved. Pentagon officials are said to oppose any change in position.

On the ABM treaty and defensive systems, the United States has proposed that each side agree to keep its testing and development within the 1972 treaty limits for five years. At the Reagan-Gorbachev meeting in Iceland last fall, the United States proposed extending this commitment to 10 years if the two sides were to eliminate all ballistic missiles.

Now some hard-liners are suggesting that the United States pull back from the offer to adhere to all aspects of the ABM treaty for a specified period. Instead, they suggest that the United States propose to reflect nervousness in the West German government over a stalemate in the Geneva arms talks between the United States and the Soviet Union.

The past Soviet position stated by Mr. Petrosyan is that two sides first concentrate on ratification of the two treaties and then the negotiation of measures that would set further limits on the number and size of nuclear tests. The negotiation of a total test ban would be left as an ultimate goal.

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## French Convict Writer, a Celebrity, Is Again Arrested

By Barry James

*International Herald Tribune*

PARIS — Roger Knobelspiess, a convict writer who became the darling of leftist liberals in France and was pardoned by President François Mitterrand, is again behind bars following an armed bank robbery near the southern town of Perpignan.

The police in Perpignan said they arrested Mr. Knobelspiess and another man after a wild car chase from Thuir, eight miles (12 kilometers) southwest of Perpignan, where the robbery took place Monday.

The police said shots were fired during the chase, in which a gendarme was grazed by a bullet and a woman driver was injured in a collision with one of the getaway cars. They said they found a pistol, a rifle and false police papers in the possession of the arrested men.

Mr. Mitterrand pardoned Mr. Knobelspiess in November 1981, a week after a court sentenced the convict to five years in prison for armed robbery.

Mr. Knobelspiess walked free into the welcoming arms of the leftist intellectuals who championed his cause after he wrote two books about prison life.

He was the late across Simone Signoret, once said, "a little bit of a hot item" for a while.

Frequent interviews on television and radio, Mr. Knobelspiess continued to criticize France's prison conditions.

He was pictured side by side with the former prime minister, Pierre Mauroy, and praised by intellectuals such as Roger Garaudy, a maverick Communist, Yves Montand, the actor, and Michel Foucault, the

philosopher, who wrote a preface to Mr. Knobelspiess's first book, "Q.H.S." The title in English stands for maximum security quarters.

The left maintained that Mr. Knobelspiess, who had a rough childhood and had spent much of his adult life in prison, was a victim of an unjust society and had been persecuted by the police.

The case in some ways recalled that of Jack Henry Abbott, an American convict turned writer who, with the help of Norman Mailer and other intellectuals, won freedom and a measure of fame with a book about prison life, "In the Belly of the Beast." But five years ago, Mr. Abbott was sentenced to 15 years to life in prison for stabbing to death a waiter in New York.

Mr. Knobelspiess went to prison for the first time at the age of 18, when he was sentenced to three years for theft. A few days after his release, he was re-arrested, charged with armed robbery and sentenced to 15 years in a maximum security prison. Proclaiming his innocence, Mr. Knobelspiess went on hunger strike, wrote letters to newspapers and even chopped off a little finger in protest. In maximum security quarters, he said, he was confined alone for 23 hours a day.

Given a seven-day leave in 1976, he failed to return on schedule. He was arrested again five months later and charged with nine holdups over the period.

It was those charges that he was sentenced in 1981, then immediately pardoned by Mr. Mitterrand before he could spend another day in prison.

Two years after that Mr. Knobelspiess was arrested and charged



Roger Knobelspiess

with committing an armed robbery and impersonating a policeman. He was acquitted, but by then his celebrity was on the wane.

(Continued from Page 1)

States has yet to decide what type of new limits to accept. Officials say they could pertain to the number of tests, the size of tests, or both.

The past Soviet position has been that negotiations for a total test ban should not be deferred, and the Russians have voiced concern that the United States might not follow through with additional testing limits after the two treaties are ratified.

The new Soviet position stated by Mr. Petrosyan is that two sides first concentrate on ratification of the two treaties and then the negotiation of measures that would set further limits on the number and size of nuclear tests. The negotiation of a total test ban would be left as an ultimate goal.

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But he added: "Parallel to this is concern over the heavy Soviet superiority in shorter-range missiles."

Bonn wants an agreement that would also balance short-range tactical systems with ranges down to 90 miles (150 kilometers).

The timing of the letter appeared

to reflect nervousness in the West German government over a stalemate in the Geneva arms talks between the United States and the Soviet Union.

The Geneva talks adjourned last month with U.S. and Soviet Union negotiators accusing each other of having changed their positions on equal ceilings on shorter-range missiles.

**Frenchman Is Missing.**  
**Philippine Military Says.**

*The Associated Press*

MANILA — French diplomats were seeking information Tuesday on military reports that a French citizen was missing in the Philippines after armed men fired on him and an Australian companion Friday on Sibabong Island, 600 miles (970 kilometers) south of Manila.

"We have no comment," said Jean-Pierre Swyngedauw, press attaché at the French Embassy. "We are still inquiring." The Philippine military blamed the shooting on the Moro National Liberation Front, an Islamic rebel group active in the southwestern Sultan Is-

lands.

HEDDORSEY  
INTERVIEW WITH MANSON  
AND STONEWALL—WORLD

100,000 km at 213 km/h



Through torrential rain and blistering sun, the three production-series Saab Turbos pressed on regardless. After 20 days and nights of sustained high-speed driving, each of the cars flew past the 100,000 km milestone averaging speeds of 213.239 km/h, 210.082 km/h and 208.084 km/h respectively. The times include pauses for refuelling and oil changes (courtesy of Shell), changing the Pirelli P600 tyres and servicing. Saab's high-speed test was sanctioned by FISA and run according to its international rules.

We took three of our standard Turbos out for a spin around the track. 23,566 laps later, at average speeds of around 210 km/h, all three Saabs had put 100,000 km behind them. The following records were set:

10 km	202.798 km/h	126.064 mph	international speed record
10 miles	207.191 km/h	128.770 mph	international speed record
100 km	218.681 km/h	135.911 mph	international speed record
100 miles	219.612 km/h	136.490 mph	international speed record
1 hour	220.449 km/h	137.010 mph	international speed record
500 km	217.284 km/h	135.043 mph	international speed record
500 miles	217.050 km/h	134.888 mph	international speed record
1,000 km	217.651 km/h	135.271 mph	international speed record
1,000 miles	216.519 km/h	134.651 mph	international speed record
6 hours	216.968 km/h	134.846 mph	international speed record
12 hours	215.057 km/h	133.550 mph	international speed record
24 hours	214.920 km/h	133.465 mph	international speed record
5,000 km	214.936 km/h	133.475 mph	

## Australia Plans Major Upgrade of Military

By Michael Richardson  
*International Herald Tribune*

CANBERRA, Australia — Australia has embarked on an upgrade and reorganization of its military forces to help make it self-reliant while enhancing its ability to cooperate in protecting Western interests in the region.

Under the plan, contained in a defense policy statement presented to Parliament last month, a substantial part of Australian military firepower will be moved from heavily populated eastern and southeastern coastal areas to bases in the largely empty north and west of the country.

About 25 billion Australian dollars (\$17.5 billion) is to be spent over the next 15 years on long-range warships, submarines, aircraft, radar and intelligence gathering installations.

Some Indonesian newspapers have implied that the Australian defense policy statement was directed at Indonesia.

Indonesian-Australian relations were especially strained last year when Indonesia barred Australian reporters and required Australian tourists to obtain visas. The restrictions followed an Australian press report about President Suharto and the wealth amassed by his family and associates. Australia has been a critic of Indonesia's annexation in 1976 of the former Portuguese colony of East Timor.

(Continued from Page 1)

The Australian defense minister, Kim Beazley, said in a recent interview that the military buildup was not being undertaken because Australia suspected Indonesia of hostile intent. Relations between the two countries were good, he said.

Mr. Beazley noted, however, that "we can be, and have been, attacked through the Indonesian archipelago and the Southwest Pacific." He was referring to Japan's attempt to invade Australia in World War II.

U.S. officials have welcomed the reaffirmation of Australia's regional security role.

The military plans have been generally welcomed in Australia, although the two main opposition parties in Parliament expressed doubts that the program could be fulfilled without raising the military budget.

The policy statement listed the following changes:

• The number of major surface warships in the Australian Navy will be increased to 17 from 12, and six diesel submarines, which Mr. Beazley said would be among the biggest in the world, are to be acquired.

• Half the fleet is to be stationed near Perth, Western Australia, so that it is closer to the main patrol areas in the north and northwest. The present fleet headquarters are at Sydney and Jervis Bay on Australia's east coast.

Australia's regular armed forces total less than 71,000 men. But Mr. Beazley asserted that use of advanced technology and careful management meant that "perhaps for the first time ever, Australians of all outlooks fundamentally agree that this country can defend itself."

Mr. Deng may also have committed a grave mistake last year in hinting that Mr. Deng, 82, and other party elders should retire earlier than planned to allow young modernizers to assume the top posts.

Mr. Deng employs a subtle and complicated leadership style, seeking to position himself at the political fulcrum where he can serve as supreme arbiter. Mr. Hu's failure to build consensus, as well as his lack of Mr. Deng's political wiles, may also have hurt him.

Nevertheless, Mr. Hu's downfall shocked party members, not only because it came as a surprise but also because it cast doubt into the future of China's economic modernization drive and of Mr. Deng's careful plans for a smooth transition to a new generation of leaders.

For the past eight years under Mr. Deng's stewardship, China has

Australia is taking delivery of U.S.-built F/A-18 Hornet jet fighters to replace three squadrons of aging French Mirages. The Hornets will augment Australia's force of 22 swing-wing F-111 strike aircraft and 20 P-3C Orion maritime patrol planes.

• Four Boeing 707 jets will be modified for in-flight refueling to increase the Hornets' range and payload.

• The combat and maritime aircraft will be armed with advanced missiles and laser-guided bombs. The policy statement said that a submarine-launched missile was "another strike option for the long-term."

• A large electronic intelligence gathering station and a chain of three long-range radar complexes will be built in northern Australia. By bouncing signals off the ionosphere, the radar, developed by Australian scientists with U.S. assistance, can detect aircraft and shipping movements in Southeast Asia up to 1,500 miles (2,400 kilometers) away, far beyond the range of conventional radar.

Australia's area of direct military interest, it said, included its home territories, adjacent ocean areas, Indonesia, Papua New Guinea, New Zealand and other nearby lands in the Pacific.

But the statement said Australia's broader strategic interests included Southeast Asia, Indochina, the eastern Indian Ocean and the Southwest Pacific.

An extension of Soviet influence in the region at the expense of the United States, the statement said, would be "fundamental concern to Australia and would be contrary to our national interests."



AMSTERDAM SQUATTERS EVICTED — Dutch police lead a handcuffed squatter from a building on the Singel canal that had been occupied illegally for 10 years. About 750 officers, equipped with riot gear, stormed the building, arresting five squatters and two supporters on Tuesday. Several hundred people turned out to help resist the police.

## CHINA: A Push to Change the Political and Economic System of the World's Most-Populous Nation Runs Into a Snag

(Continued from Page 1)

surpassed many other Communist countries in overhauling its economy. The aim has been to make the economy less dependent on inefficient, Soviet-style central planning and more oriented to competition and free market forces.

In the view of reformers such as Prime Minister Zhao Ziyang, who is now the acting Communist Party chief, the success of the early reforms justifies arguments for further change.

But Mr. Zhao is proceeding more prudently than Mr. Hu ever did, staking out a middle position in which he tries to appeal both to his fellow reformers and to those leaders, often referred to as "conservatives," who fear the impact of greater change.

In the current struggle for political control, the conservatives have clearly gained in influence. While early changes required courage and imagination, further ones may prove to be more difficult because they would significantly reduce the power and influence of bureaucrats and party members. Every move from now on will prove painful for someone.

But Mr. Zhao can point to considerable achievements. According to a World Bank report, from 1979 to 1984, largely as a result of greatly accelerated agricultural growth, China's per capita national income grew at nearly 7 percent per year.

The success of the early reforms, which Mr. Zhao hopes will propel momentum toward further change, can easily be measured in its effects on people's daily lives.

In rural areas, the decision to allow farmers to make many of their own decisions has unleashed tremendous energies and led to an improvement in living standards for hundreds of millions of people.

In the cities, the widespread availability of consumer goods and the ability of many workers to buy them attest to greater affluence.

An official survey conducted last year in more than 100 Chinese cities showed that per capita income in urban areas rose 6 percent last year after inflation. It showed that city dwellers were buying more washing machines, tape recorders, refrigerators and television sets.

In some ways, China's capacity for change has been greater than that of any other Communist country.

The Chinese bureaucracy remains a major obstacle to change, but it is probably less deeply entrenched than that of the Soviet Union, where Communist rule was established a generation earlier.

Hungary and Yugoslavia offer the leading examples of how far political change can go these days in a Communist system. Even in Poland today, a degree of political

reform has been accepted. Poland's legal reforms, closely related to political reform, include a constitutional tribunal that has ruled against the government several times.

Poland, Hungary and Yugoslavia have all instituted multiple-candidate elections, and the Soviet Union is considering a similar concept.

Chinese economists say generally that while they can learn from mistakes made in Hungary and other East European countries, they do not see enough success in those experiments to offer them a vision of the future.

And when the Chinese leaders look at Yugoslavia and see workers striking there, as happened last month, they sense that transferring too much power to workers, or to any other group, can be dangerous.

While they see much to admire in Yugoslavia, it is not in the realm of political reform.

Rather, Mr. Deng and other Chinese leaders are looking increasingly toward East Asia for success stories. In their view, the examples of authoritarian regimes such as in Taiwan and South Korea show that economic progress can exist without democratic political reforms.

## China Said To Step Up Watch Over Foreigners

By Daniel Southerland  
*Washington Post Service*

BEIJING — Chinese police surveillance of foreign journalists and diplomats here appears to have increased markedly in the aftermath of student demonstrations and the removal of the Communist Party chief, Hu Yaobang.

Within the past two weeks, several Western journalists have reported being the targets of surveillance by police agents. In two cases, American journalists were tailied for some distance by such agents.

Security police stationed in guard houses at the gates of compounds housing foreign diplomats and journalists recently began working around the clock.

The number of military guards stationed next to each gate has been increased from one to two.

One explanation being given is that the additional guard is a trainee. But the guards have increased the checks they make on Chinese employees of foreigners and others who enter the compounds.

The increased surveillance of foreigners and their activities — including some indications of increased telephone monitoring — is believed to be linked to a shake-up in China's police leadership and to police concern over contacts between foreign journalists and ordinary Chinese, including student dissidents.

Foreign observers believe that the police want to discourage such contacts and that in addition some police officers may be concerned about the disclosure in the foreign press of four confidential Communist Party documents over the past two months.

It was learned about a week ago that Ruan Chongwu, the minister of public security and head of China's main police force, was being removed from his post.

The pro-Communist newspaper Wen Wei Po in Hong Kong reported Tuesday that Mr. Ruan, 54, was being replaced by Wang Fang, a Communist Party veteran with past police experience who now holds the position of party leader of Zhejiang Province.

Mr. Ruan, who had held the police post for only a year and a half, had close connections with Mr. Hu, and that was believed to be one reason for his being removed. His removal from the sensitive police post has yet to be officially confirmed.

## Belgium to Restrict Public Smoking

Reuters

BRUSSELS — Smoking will be banned in most enclosed public places in Belgium, one of Europe's biggest tobacco-using nations, beginning Sept. 1.

The secretary of state for public health, Wimme De Meester, said at a news conference on Monday that a law against smoking in public places had been signed by King Baudouin I.

Smoking will be banned in schools, hospitals and rest homes, railroad stations, waiting rooms, publicly owned cultural and sports centers. Violators can be fined up to 18,000 Belgian francs (\$4,800).

A few exceptions will be allowed in buildings where it is possible to provide separate facilities for smokers and nonsmokers.

About one in three Belgians smokes. After Denmark, this is more per capita than in any other European Community nation, tobacco industry sources said.

Advertisements for cigarettes in Belgium must warn that tobacco damages health.

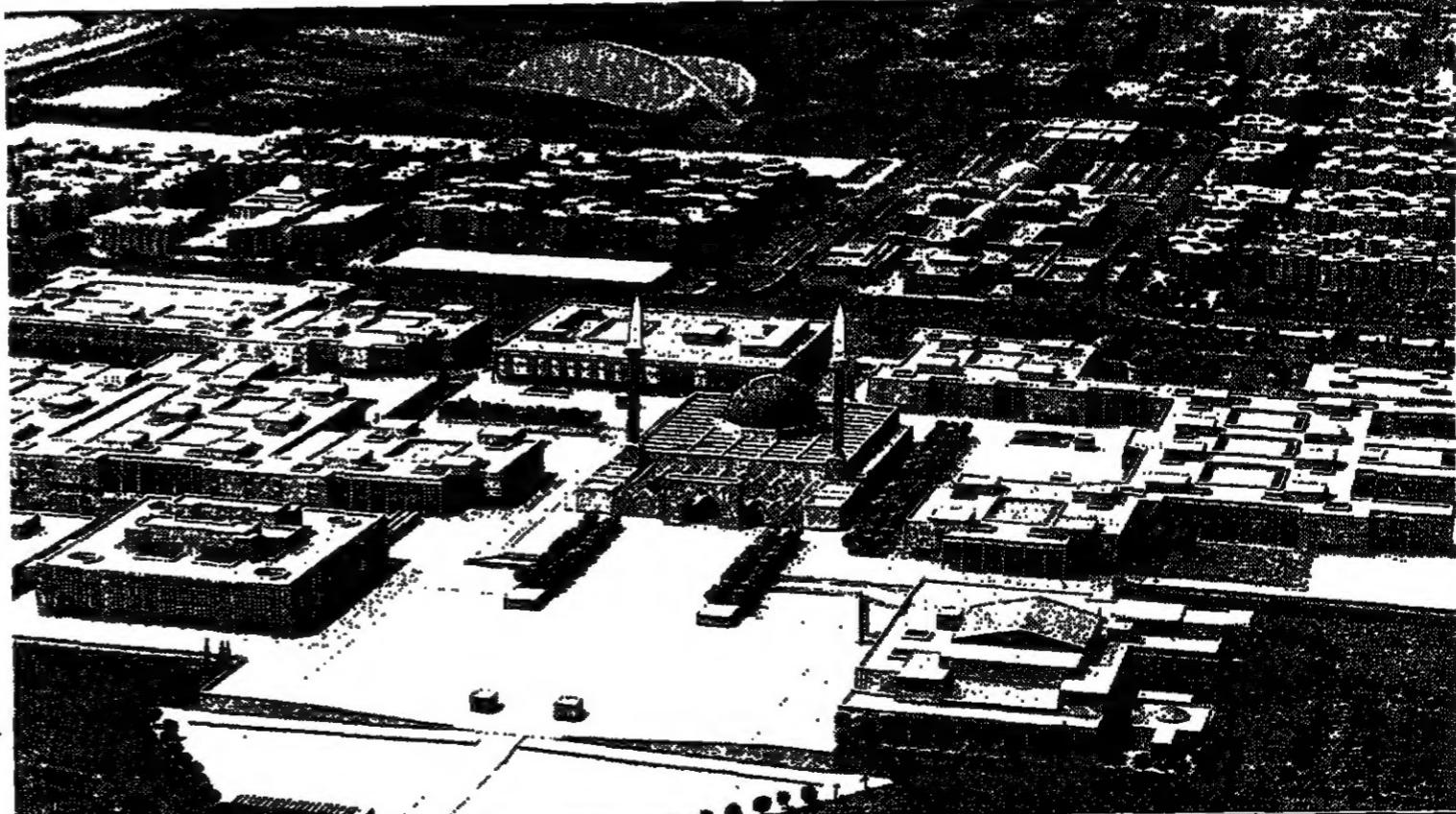
Smoking is banned in public buildings in Sweden, Italy, France,

The impressive Imam Muhammad Ibn Saud Islamic University, a world centre for Islamic culture and education in Riyadh, Saudi Arabia, is a vast campus of faculty and medical buildings, a housing estate and a magnificent sports centre.

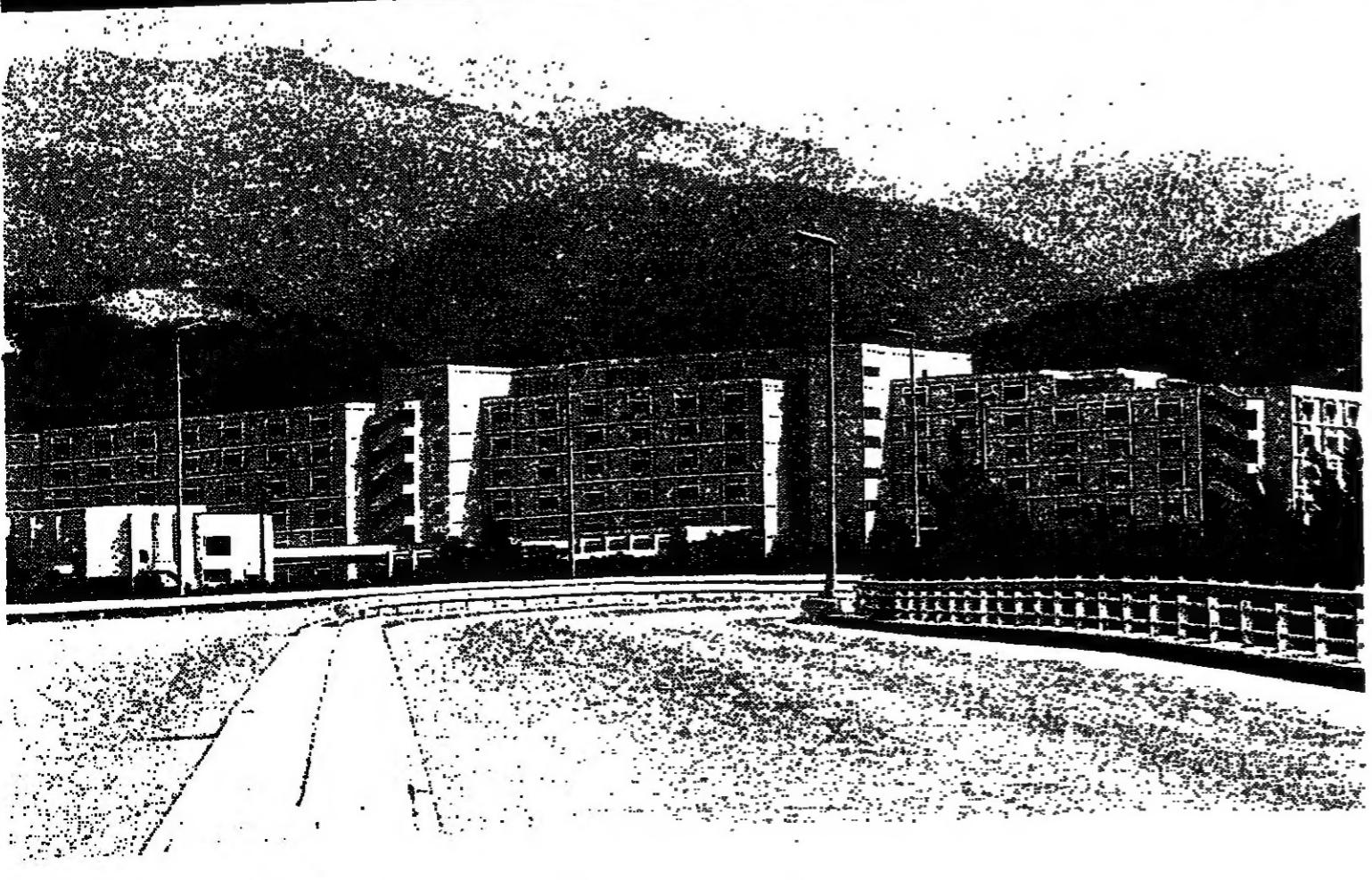
Now nearing completion, it offers higher-learning facilities for 12,000 students and recreation and living accommodation for up to 30,000 residents.

As a major contractor to this ambitious project, Philips is supplying household appliances and lighting for the entire housing estate; audio/video equipment, security television, public address, intercom and specially developed energy-saving lighting for the university.

Professional services, too, in the form of project engineering, systems design and installation supervision. Altogether a fine example of how Philips can apply its expertise to any size and type of project, anywhere in the world.



## Philips project expertise for education and healthcare.



Near the historic Greek university town of Patras, some 200 kilometers west of Athens, Philips is helping to build and equip a 770-bed hospital complex; complete with residential facilities for a medical staff of nearly 1500.

As one of the main contractors we are responsible for the entire building concept; from architectural design to water, gas, sanitation and air-conditioning services to high- and low-voltage electrical systems. We are supplying and installing a complete range of advanced medical equipment as well as comprehensive facilities for sound distribution, lighting and communications.

**Philips. The sure sign of expertise worldwide.**



Philips Corporate Marketing Communications, Eindhoven, the Netherlands.

**PHILIPS**

## Pope Urges Reforms To Aid Farm Workers In Argentine Heartland

Reuters

**BAHIA BLANCA**, Argentina — Pope John Paul II began a tour through Argentina's rich agricultural interior on Tuesday with a strong defense of the rights of rural farm workers, saying they had been neglected too long.

The pope spoke before a crowd of tens of thousands at a highway intersection outside this port city 380 miles (600 kilometers) south of Buenos Aires.

In Bahia Blanca he concentrated on rural problems, saying the laws of the marketplace often were inhumane and led to salaries that were so low that rural workers could not feed themselves or their families.

John Paul said that a "cloud of inferiority had hung over agricultural workers for too long."

Labor organizations have said that rural workers, isolated and badly organized, had long suffered from low wages, although former President Juan Peron instituted minimum welfare benefits for the previously unprotected workers.

The visit was John Paul's first stop in a three-day tour of eight cities in the Argentine interior. He arrived in Buenos Aires on Monday on the last leg of a three-nation tour that already has taken him to Chile and Uruguay.

The pope, who was greeted by President Raúl Alfonsin, opened his visit to Argentina by criticizing the doctrine of using violence to defeat violence — a policy of the military government that ruled Argentina from 1976 to 1983.

### National Tension Rises

*Bradley Graham of The Washington Post reported from Buenos Aires:*

The papal visit to Argentina comes during a rise in political tensions marked by a series of sporadic



Pope John Paul II in the Buenos Aires cathedral before his address Monday.

In recent days, small groups of leftists and rightists have publicly protested the seven-day, 10-city visit, accusing the pope of coming to intervene in internal affairs.

A communiqué issued by an organization calling itself the Committee Repudiate the Pope condemned the visit as "eminently political."

It criticized John Paul for traveling to Argentina in 1982 during the Falkland Islands war with Britain, saying his meeting then with military junta members "blessed the genocidal dictatorship."

For the Roman Catholic Church in Argentina, one of the most conservative church hierarchies in Latin America, the pope's presence may offer some guidance in helping the local hierarchy adjust to the country's young democracy.

The bishops recently have found their influence circumscribed by a legislature ready to legalize divorce and considering moves to reduce religious instruction in public schools and subsidies for religious schools.

Many bishops have sought to link civilian rule to an upsurge in crime, drug abuse and pornography and to fight against liberalizing actions. The most severe example came last year when some churchmen vowed to deny communion to congressmen who voted to legalize divorce.

With followers among 85 percent of the population, the Argentine church continues to wield consider-

## EMBASSY: Security 'Flawed'

(Continued from Page 1)

reported that the building may have to be demolished because of security problems. They estimated that \$100 million had been spent on the new building, which is part of a complex that also includes new housing and recreational facilities for diplomats.

The embassy has long been the target of attempts by Moscow to learn U.S. secrets by electronic surveillance and other forms of spycraft. Congressmen have alleged that Arthur A. Hartman, who recently left as U.S. ambassador in Moscow, was insufficiently sensitive to security dangers.

The two U.S. Marine guards were charged with espionage and accused of allowing Soviet agents into the building after forming sexual relationships with Soviet women employees.

Mr. Mica said embassy officials told him it would take at least five years of refitting to make the embassy secure.

An embassy spokesman, Jaroslav Verner, said embassy officials would not comment Tuesday on the congressmen's findings.

The representatives declined to discuss details of what they saw in the partly completed building, but congressional investigators have reported that numerous eavesdropping devices had been planted in the prefabricated walls by Soviet workmen.

"We might recommend that it be demolished," Miss Snowe said.

Mr. Mica said that the new U.S. ambassador, Jack F. Matlock, had allowed the representatives to view every section of the embassy and to interview Marine guards and embassy personnel in detail.

He said that in recent days embassy officials have managed to secure one small area of the embassy, which is now considered safe for confidential discussions. Other areas are also being secured, he said, in preparation for the visit here next week by Secretary of State Shultz.

In recent weeks, diplomats have been taking unusual precautions, including conversing with handwritten notes and using couriers to send messages that would earlier have been conveyed by telephone.

### Marines Questioned

About half of the 28 Marine guards assigned to the U.S. Embassy in Moscow have been flown to Frankfurt and are undergoing initial questioning by investigators, the Defense Department said Tuesday. The Associated Press reported from Washington.

## SEOUL: Opposition Party

(Continued from Page 1)

Jung yields great political influence behind the scenes. He has not spoken in public for years, however, and it seemed likely that he would be put under house arrest Wednesday to prevent him from attending the scheduled news conference.

Divisions first surfaced in December when Mr. Lee announced his willingness to discuss the ruling camp's proposal of a cabinet system in return for government guarantees of expanded political freedoms. But the Kims forced him to back down, and reassured a hard line of setting for nothing other than direct presidential elections.

Although temporarily papered over, the dispute continued to flare.

The crisis deepened further as the Kims sought to expel two opposition politicians who openly had declared support for the ruling party's position.

Those two politicians, Lee Chul Sung and Lee Taek Hee, accused the Kims of "manipulating" the party to advance their own ambitions.

Finally, on Saturday, more than 200 supporters of the Lees took over party headquarters after a brawl with fellow politicians, and they have been occupying the building ever since.

City officials have made great strides in city services for all these people. In 1985, 97.5 percent of Seoul residents had running water, compared with only 50 percent in 1976. And every year, more than 400,000 people continue to leave villages to seek opportunity in cities.

By far the most dramatic population explosion has taken place in Seoul, where nearly one-fourth of South Korea's 41 million people now live. Seoul is the showcase not only for South Korea's accomplishments, but also for the inevitable problems of rapid urbanization.

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## Effort to Modernize Strains Lenin's 'Golden Rule'

By Bill Keller  
New York Times Service

**KARAMKEN, U.S.S.R.** — "When we are victorious on a world scale, I think we shall use gold for the purpose of building public lavatories in the streets of some of the largest cities in the world," Lenin wrote in 1921.

"I don't know what this means," said Nikolai M. Selyutin, manager of the Karamken gold mine and concentrator here about 50 miles (80 kilometers) north of the Siberian city of Magadan in Magadan Province. "But we believe in it."

Perhaps, but Lenin's vision of a time when the quality of life would

no longer be tied to gold seems far off, and getting further.

Pressed by the need for foreign currency to support a planned modernization of industry and to make up for slumping oil revenue, the gold industry is expanding.

According to recent joint report by the Central Intelligence Agency and the Defense Intelligence Agency to the Joint Economic Committee of Congress, the Soviet Union sold \$3.8 billion worth of gold last year, up from \$1.8 billion the previous year and from \$1 billion the year before.

"Where do you send your refined gold?" a reporter asked, before a comment into a mine shaft.

"To the central part of the country," replied Mr. Selyutin, a good-natured engineer who seemed faintly amused.

"What city?"

"To the central part of the country," he repeated.

"How many workers do you have?"

"Enough to work profitably."

When asked for production figures, Mr. Selyutin simply laughed, flashing a row of gold caps.

The Soviet Union, the second largest gold producer after South Africa, publishes no statistics on gold, or on most other metals for that matter. Western researchers have been computing estimates based on scattered information.

The gold reserves are a vital shock absorber for the Soviet economy, especially now when lower oil prices have cut into export earnings.

Alexander D. Bogdanov, provincial party chief, estimated that mining accounted for two-thirds of the province's 2 billion rubles (\$3 billion) in annual industrial output.

The province also yields silver, tin and tungsten, but mostly gold.

In Siberia, gold is either bulldozed or dredged from surface gravel deposits known as placers, or, as in the case of Karamken, dug from deep lode mines. The placers were the first to be mined starting in the 1930s, and as they became played out, the industry has been increasingly blasting into bedrock.

A 12-minute ride on an East German mine trolley, clattering down a narrow, concrete-lined shaft takes the miners two miles into the mountain. The air is pumped in through conduits, is cool and fresh, but not uncomfortably cold.

The mountain is crisscrossed by horizontal tunnels on six levels. On the upper levels, miners use compressed air guns to dig holes for dynamite, then blast and dig the ore, and spill it down chutes into waiting ore cars in the lowest tunnel.

The ore itself is unremarkable to the eye, the gold so thinly dispersed that it hardly glitters. There are no nuggets to be pocketed.

Miners work around the clock, in four six-hour shifts — first a blasting crew, then several hours of preparing the shaft, and finally two digging shifts.

At the concentrator near the mouth of the mine, lumps of ore are fed into a crushing mill and ground to powder. The powder is mixed with water, and the gold and silver are separated chemically.

Miners earn 700 rubles a month, a high salary by Soviet standards because of a premium paid in this remote region.

Lenin's dictum notwithstanding, the lives of workers here are becoming more dependent on gold, not less. Next year the mine here is scheduled to join other Soviet industries in "self-financing," which means that the mine administration will keep a share of the profits to spend as local managers see fit on housing, new equipment and amenities for workers.

But then, Lenin himself conceded that pending the world revolution that would render gold into toilets, Russia should get as much of the stuff as it could. In a metaphor that seems especially suited to the tundra of northeast Siberia, he said, "When you live among wolves, you must howl like a wolf."

## Haig-Speak: Metaphor Over Mind

The Associated Press

**WASHINGTON** — "It would serve no useful purpose to put fences around options that would diminish the promulgation of new roadways."

Alexander M. Haig Jr., one of three announced candidates for the 1988 Republican presidential nomination, tossed off that gem when asked, as President Ronald Reagan's secretary of state, whether the United States had ruled out the use of force in Central America.

The retired U.S. Army general and former North Atlantic Treaty Organization commander may be a long-shot candidate for president, but he seems a sure bet to add linguistic color to the campaign, based on his penchant for mixed metaphors, biting barbs and self-deprecating humor.

"It is true that Haig-speak has become a rather notorious form of communication," he once said.

As a mixer of metaphors, he is a master.

To Mr. Haig, a politically troubled region was never merely a hot spot but a "vortex of crudity," and a diplomatic hint became a "nuanced overture."

When Mr. Haig arrived at the State Department, he called himself the Reagan administration's foreign policy "vicar" but that goal always eluded him, his designs thwarted by a White House staff that, Mr. Haig contended,

shortly before the administration took office in 1981, Mr.

Haig drew up a directive to establish the chain of command in Mr. Reagan's foreign policy apparatus.

It was a clear attempt by Mr. Haig to stake out a role as Mr. Reagan's chief formulator of foreign policy. A colleague recalled that Mr. Haig said of the White House at the time, "We're going to slip off their underwear before they know their pants are unbuckled."

At a 1981 gathering of Washington's football elite, Mr. Haig joked about his large security force:

"The master of ceremonies told me that if Haig and his security detail left the room, it would be half empty. I said, 'If you think that's bad, last night when I leaned over to kiss my wife good night, I had to tell my agent to roll over.'"

In a more serious vein, Mr. Haig complained bitterly about what he regarded as the emasculation of U.S. intelligence services under President Jimmy Carter. During that period, he said, there was a "conscious castration of America's eyes and ears around the world."

## The BMW 7 Series



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The perfect travelling companions: the jet and the car that's virtually tailor-made for it. First of all, their common qualities. Both accelerate from 0 to 100 km/h in just about the same time. For the BMW 735i that means scarcely 8 seconds.

Both offer their pilot sophisticated and dependable electronic control systems to ensure smooth, trouble-free technical operation.

The BMW 7 Series, as the world's first car, and the jet have both been designed and built for maxi-

mum reliability using the same computer techniques (FMEA), which eliminate potential problems already at the design stage.

The plane makes distances seem shorter, whilst the large BMW makes short shrift of long journeys,

and both have exceptionally aerodynamic bodies.

But there are also differences. The BMW can't quite match the top speed of the jet but, on the other hand, you never need landing permission with the 735i. That alone makes them a perfectly matching set.



**The ultimate driving machine**

## ARTS / LEISURE

# A Playwright's Self-Portrait

By Robert Cushman

*International Herald Tribune*  
LONDON — Peter Nichols, who vowed some five years ago to give up playwriting, has relapsed. The fruit of his backsliding, called "A Piece of My Mind," is on view at the Apollo.

I didn't un-negative it. I am sorry if that double negative sounds un-

**THE LONDON STAGE**

couth or equivocal, but it seems right for the play which is a confessional, alternately reckless and guarded. Nichols shows us a blocked playwright called Ted Forrest trying to write a novel — about a blocked playwright trying to write a novel. How much simpler it would be, he muses, if he could turn it into a play, and such a play does indeed take shape before us.

Mainly it is about the author's discontent; professional, familial, sexual. He looks back on his life, and recalls how long it took him to become successful. Just as he was giving up hope of progressing beyond disposable TV writing, he got the chance to write a movie for a pop group. The same thing happened to Nichols in the '60s (the film was "Catch Me If You Can") with the Dave Clark Five, and Ted's subsequent theatrical success, though less than he would like and followed by attempted retreat into prose fiction, also follows Nichols's own fairly closely.

Indeed the play would have little point and less interest if we did not feel that it was the author himself we were watching up there.

He paints himself pretty black. Ted's existence seems to be domi-

nated by his jealousy of a younger dramatist — called Miles Whittier, because everybody thinks he is — whose personal and professional credentials sound like those of Nichols's fellow Bristolian Tom Stoppard.

Nichols confessed in his autobiography to a nagging jealousy of Stoppard, but it is hard to believe that he has been as totally obsessed by it as Ted is here. Indeed Nichols is aware of how trivial his woes may seem to non-playwrights, and so he is continually undercutting himself, making fun of his own play as it unfolds. He goes a step further and sanitizes the whole idea of making a play, calling attention for example to the quick changes he demands from his cast of five. In one light this is refreshingly honest; the author tells the truth, even about the difficulties and embarrassments of telling the truth. In another, it is just arch, and stops the play from building up any steam. Nichols even includes a critic in his cast, anticipating every hostile comment we might make. Casting the play for terminal self-consciousness, he is himself a symptom of it. But of course Nichols knows that.

The jokes are mostly funny, but the play seems blander than it should; Justin Greene's production lacks pace, and George Cole's amiable performance of Ted goes easy on bile and the sore spots. Anna Carteret, crisp and nourishing as whole-grain bread, plays the capable wife every playwright should have, doubling ebulliently as the dragonish lady agent most London playrights do have. Gwyneth Strong, a vivid young actress very good at being dismissive, draws



Jonathan Pryce as Macbeth, Sinead Cusack as Lady Macbeth.

sharp outlines of Ted's daughter and a selection of his fantasies.

Last year's Stratford-on-Avon productions have begun their annual ramble down the road to London. First on the main Barbican stage is "Macbeth," in a tight, gripping production by Adrian Noble played in black-walled sets by Bob Crowley that end up closing in on the hero. Jonathan Pryce's Macbeth is haunted as much by his childlessness as by his crimes, and

takes refuge from both in fits of manic laughter; since these are with him from the start the performance develops within a narrow compass.

It is consistent, and Pryce is often thrilling, especially in the dagger speech and in a virtuous banquet scene, tormented all over the stage by the invisible ghost — but it does not satisfy. This Macbeth has nothing to fall from nowhere much to go. Sinead Cusack's Lady Macbeth has the exact measure, strong

and pitiful, of a woman who thinks she is using her husband but is used by him. The witches are excellently businesslike; the porter, wandering among the audience and interpolating, suggests all over again how much our bright and earnest young directors have to learn about comedy.

Trevor Nunn, the Royal Shakespeare Company's departing supremo, knows all about it.

"The Fair Maid of the West," brought from the Stratford Swan to the RSC's newest outpost, the Mermaid, is one of his warmest shows. A patriotic Elizabethan two-parted by Thomas Heywood, it is offered to us here as an impromptu performance by strolling players.

May Nunn makes more implicit apologies for the play than it needs, but he manages to give us its values, and its sense of adventure, our own distance from them, and a roaring good time, all at once.

The actors play together marvelously, if a little indulgently and as Bass Bridges, the barmaid turned private captain scouring the Spanish main in honor of her true love, Imelda Staunton, spunky, diminutive and unfussy emotional, gives the evening a human heart to balance all its high jinks.

# Knitting a Fine Seam

By Kate Singleton

MILAN — The Catholic Queen Isabelle of Castile, whose major claim to fame is that she financed the trans-Atlantic expedition of Christopher Columbus in 1492, was utterly scandalized when the Ambassador of France presented her with his sovereign's humble respects, and a pair of exquisitely embroidered silk stockings. How dared the French monarch allude so grossly to that pious lady's august but hidden extremities?

In general, however, men have found that such rebuffs were risks worth taking, and fine stocking have always been a promising and precious gift. Even when the Rev. William Lee, anxious to alleviate his wife's fatigues as a stocking-knitter, invented the first knitting machine in 1589, the relative value of fine stockings did not go down. Luxury goods they were, and luxury goods they remained.

The present-day stocking industry is just getting back onto its feet after some difficult years. Things looked bleak in the late '60s and early '70s, when jeans became universal attire and interest in women's underwear was equated with a desire for their captivity. But now fine petticoats and sheer hosiery are back, and manufacturers are expanding and modernizing to produce articles to meet practically any whim and occasion.

In modern times the most important knitting manufacturing area in Europe has been in northern Italy's Po Valley, not far from Lake Garda. Here the knitting tradition can be traced back to the 16th century, when dominion over these territories was disputed between the Serenissima Republic of Venice and the powerful Gonzaga family of Mantua. In those days Castelgoffredo, now the absolute world capital for nylon hosiery, was a small military stronghold. Today its moderate size and modest aspect belie the production methods concealed behind the plain walls of discrete little factories. Far in and around Castelgoffredo extremely sophisticated technology is so rapidly experimented on, improved and adopted that Italy is now the leader in the production of the relatively textile technology as well.

William Lee's stocking machine could knit 16 rows of stitches in the time a skilled hand-knitter would take to set up one needful. It was described as a "masterpiece of the creative power of the human mind" and received ample treatment in that extraordinary Enlightenment homage to modernity, the Encyclopedia of Diderot and D'Alembert.

Nowadays similarly miraculous

feats are performed by specially programmed Mitsubishi computer whose floppy disks are then popped into a completely automated knitting machine that spits out the finished prototype for inspection within minutes. The stocking designer thus sits in front of a video terminal (or finds a technician to do it for him) and transmits his sketches from paper to screen. And the resulting information stored on the floppy disc then instructs the knitting machine for the production of the desired item. This whole process may take three or four hours. Until very recently sketches had to be transferred onto squared pattern paper which then told the machine setter which of the 400 pattern jacks had to be manipulated in what order to obtain the required knitted pattern.

The remaining productive phase is the dyeing and shaping. Dye compositions and color matching are now largely computer controlled. And shaping involves steaming the tubes into more flattening and leg-like contours.

Although stockings and pantyhose are products of the same technology, there's something poetic about the former and distinctly prosaic about the latter. For every day wear women seem disinclined to sacrifice the convenience of pantyhose in the name of poetics and eroticism. However recent sales trends show that the request for quality stockings (whose price is usually superior to that of equivalent pantyhose) is on the increase.

Manufacturers are investing accordingly. Who knows whether chemists are now working on whale-bone substitutes for stays?

Kate Singleton is a Milan-based journalist who writes frequently on cultural affairs.

Pantyhose begins to look like pantyhose when it has been through the seaming department, largely manned by robots. Some human collaboration remains, however. A worker pulls the stretchy knitted tubes onto pairs of ready mechanical arms. Swordfish-like supplers then open them from beneath so that the two tubes can be sewn together and trimmed. Next the garment is turned inside out and the toes are sewn. Quality controls ensue, but the process is not yet finished. For concessions have to be made to what is apparently a mere female whim that has no technical justification in view of the quality yarns now used: the gusset has still to be added, which means burning out a central piece and stitching in a replacement.

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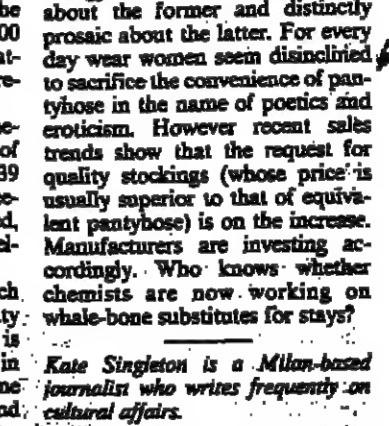
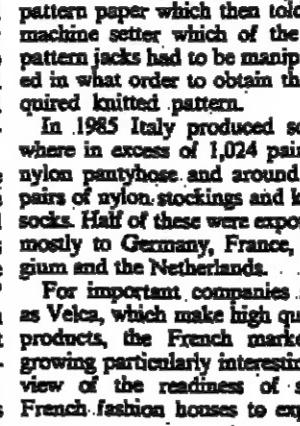
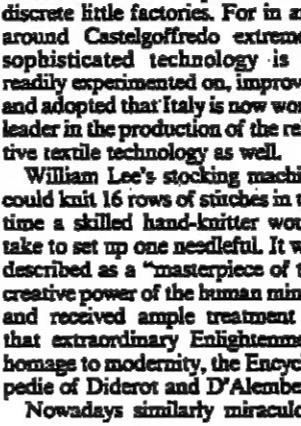
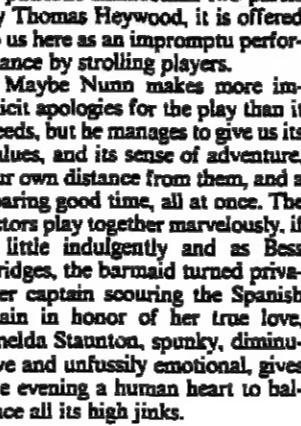
Pantyhose begins to look like pantyhose when it has been through the seaming department, largely manned by robots. Some human collaboration remains, however. A worker pulls the stretchy knitted tubes onto pairs of ready mechanical arms. Swordfish-like supplers then open them from beneath so that the two tubes can be sewn together and trimmed. Next the garment is turned inside out and the toes are sewn. Quality controls ensue, but the process is not yet finished. For concessions have to be made to what is apparently a mere female whim that has no technical justification in view of the quality yarns now used: the gusset has still to be added, which means burning out a central piece and stitching in a replacement.

The remaining productive phase is the dyeing and shaping. Dye compositions and color matching are now largely computer controlled. And shaping involves steaming the tubes into more flattening and leg-like contours.

Although stockings and pantyhose are products of the same technology, there's something poetic about the former and distinctly prosaic about the latter. For every day wear women seem disinclined to sacrifice the convenience of pantyhose in the name of poetics and eroticism. However recent sales trends show that the request for quality stockings (whose price is usually superior to that of equivalent pantyhose) is on the increase.

Manufacturers are investing accordingly. Who knows whether chemists are now working on whale-bone substitutes for stays?

Kate Singleton is a Milan-based journalist who writes frequently on cultural affairs.

**DOONESBURY**

NYSE Most Actives					
Vol.	High	Low	Last	Chg.	C%
Transco	408,611	3475	3314	+16	+0.4
USX	205,000	2,125	2,075	-25	-1.1
MetLife	221,000	2,450	2,425	+25	+1.0
UAL	221,000	2,450	2,425	+25	+1.0
GAM	200,000	1,170	1,145	+15	+1.3
IBM	200,000	1,160	1,145	+15	+1.3
Forbes	200,000	1,170	1,145	+15	+1.3
AT&T	177,200	2,125	2,075	-45	-2.0
Philip Morris	177,200	2,125	2,075	-45	-2.0
General Mills	177,200	2,125	2,075	-45	-2.0
Merck	177,200	2,125	2,075	-45	-2.0
McDonnell Douglas	177,200	2,125	2,075	-45	-2.0
AT&T	177,200	2,125	2,075	-45	-2.0
Philip Morris	177,200	2,125	2,075	-45	-2.0
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Merck	177,200	2,125	2,075	-45	-2.0
McDonnell Douglas	177,200				



**Tuesday's  
NYSE  
Closing**

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

27 Month  
High Low Stock Div. Yld. PE % Chg.  
Close  
Last  
High Low Stock Div. Yld. PE % Chg.  
Close  
Last  
(Continued)

27 Month High Low Stock	Div. Yld. PE	% Chg. Close Last	27 Month High Low Stock	Div. Yld. PE	% Chg. Close Last	27 Month High Low Stock	Div. Yld. PE	% Chg. Close Last
2099 CP N.Y.	140	50	111	329	-1	111	329	-1
2104 CRIM	120	52	111	219	+1	111	219	+1
2105 CSX	120	52	111	219	+1	111	219	+1
2106 CSX	116	52	111	219	+1	111	219	+1
2107 CSX	116	52	111	219	+1	111	219	+1
2108 CSX	116	52	111	219	+1	111	219	+1
2109 CSX	116	52	111	219	+1	111	219	+1
2110 CSX	116	52	111	219	+1	111	219	+1
2111 CSX	116	52	111	219	+1	111	219	+1
2112 CSX	116	52	111	219	+1	111	219	+1
2113 CSX	116	52	111	219	+1	111	219	+1
2114 CSX	116	52	111	219	+1	111	219	+1
2115 CSX	116	52	111	219	+1	111	219	+1
2116 CSX	116	52	111	219	+1	111	219	+1
2117 CSX	116	52	111	219	+1	111	219	+1
2118 CSX	116	52	111	219	+1	111	219	+1
2119 CSX	116	52	111	219	+1	111	219	+1
2120 CSX	116	52	111	219	+1	111	219	+1
2121 CSX	116	52	111	219	+1	111	219	+1
2122 CSX	116	52	111	219	+1	111	219	+1
2123 CSX	116	52	111	219	+1	111	219	+1
2124 CSX	116	52	111	219	+1	111	219	+1
2125 CSX	116	52	111	219	+1	111	219	+1
2126 CSX	116	52	111	219	+1	111	219	+1
2127 CSX	116	52	111	219	+1	111	219	+1
2128 CSX	116	52	111	219	+1	111	219	+1
2129 CSX	116	52	111	219	+1	111	219	+1
2130 CSX	116	52	111	219	+1	111	219	+1
2131 CSX	116	52	111	219	+1	111	219	+1
2132 CSX	116	52	111	219	+1	111	219	+1
2133 CSX	116	52	111	219	+1	111	219	+1
2134 CSX	116	52	111	219	+1	111	219	+1
2135 CSX	116	52	111	219	+1	111	219	+1
2136 CSX	116	52	111	219	+1	111	219	+1
2137 CSX	116	52	111	219	+1	111	219	+1
2138 CSX	116	52	111	219	+1	111	219	+1
2139 CSX	116	52	111	219	+1	111	219	+1
2140 CSX	116	52	111	219	+1	111	219	+1
2141 CSX	116	52	111	219	+1	111	219	+1
2142 CSX	116	52	111	219	+1	111	219	+1
2143 CSX	116	52	111	219	+1	111	219	+1
2144 CSX	116	52	111	219	+1	111	219	+1
2145 CSX	116	52	111	219	+1	111	219	+1
2146 CSX	116	52	111	219	+1	111	219	+1
2147 CSX	116	52	111	219	+1	111	219	+1
2148 CSX	116	52	111	219	+1	111	219	+1
2149 CSX	116	52	111	219	+1	111	219	+1
2150 CSX	116	52	111	219	+1	111	219	+1
2151 CSX	116	52	111	219	+1	111	219	+1
2152 CSX	116	52	111	219	+1	111	219	+1
2153 CSX	116	52	111	219	+1	111	219	+1
2154 CSX	116	52	111	219	+1	111	219	+1
2155 CSX	116	52	111	219	+1	111	219	+1
2156 CSX	116	52	111	219	+1	111	219	+1
2157 CSX	116	52	111	219	+1	111	219	+1
2158 CSX	116	52	111	219	+1	111	219	+1
2159 CSX	116	52	111	219	+1	111	219	+1
2160 CSX	116	52	111	219	+1	111	219	+1
2161 CSX	116	52	111	219	+1	111	219	+1
2162 CSX	116	52	111	219	+1	111	219	+1
2163 CSX	116	52	111	219	+1	111	219	+1
2164 CSX	116	52	111	219	+1	111	219	+1
2165 CSX	116	52	111	219	+1	111	219	+1
2166 CSX	116	52	111	219	+1	111	219	+1
2167 CSX	116	52	111	219	+1	111	219	+1
2168 CSX	116	52	111	219	+1	111	219	+1
2169 CSX	116	52	111	219	+1	111	219	+1
2170 CSX	116	52	111	219	+1	111	219	+1
2171 CSX	116	52	111	219	+1	111	219	+1
2172 CSX	116	52	111	219	+1	111	219	+1
2173 CSX	116	52	111	219	+1	111	219	+1
2174 CSX	116	52	111	219	+1	111	219	+1
2175 CSX	116	52	111	219	+1	111	219	+1
2176 CSX	116	52	111	219	+1	111	219	+1
2177 CSX	116	52	111	219	+1	111	219	+1
2178 CSX	116	52	111	219	+1	111	219	+1
2179 CSX	116	52	111	219	+1	111	219	+1
2180 CSX	116	52	111	219	+1	111	219	+1
2181 CSX	116	52	111	219	+1	111	219	+1
2182 CSX	116	52	111	219	+1	111	219	+1
2183 CSX	116	52	111	219	+1	111	219	+1
2184 CSX	116	52	111	219	+1	111	219	+1
2185 CSX	116	52	111	219	+1	111	219	+1
2186 CSX	116	52	111	219	+1	111	219	+1
2187 CSX	116	52	111	219	+1	111	219	+1
2188 CSX	116	52	111	219	+1	111	219	+1
2189 CSX	116	52	111	219	+1	111	219	+1
2190 CSX	116	52	111	219	+1	111	219	+1
2191 CSX	116	52	111	219	+1	111	219	+1
2192 CSX	116	52	111	219	+1	111	219	+1
2193 CSX	116	52	111	219	+1	111	219	+1
2194 CSX	116	52	111	219	+1	111	219	+1
2195 CSX	116	52	111	219	+1	111	219	+1
2196 CSX	116	52	111	219	+1	111	219	+1
2197 CSX	116	52	111	219	+1	111	219	+1
2198 CSX	116	52	111	219</td				

الجهاز المركب

## Bid to Acquire Gencorp Dropped by Partnership

*The Associated Press*  
NEW YORK — An investor group dropped its hostile bid Tuesday to acquire Gencorp Inc. in light of Gencorp's proposed restructuring that includes a \$1.6 billion stock buyback.

The group, General Partners, includes AFG Industries Inc., an Irvine, California-based glass maker, and Wagner & Brown, a closely held energy concern based in Midland, Texas.

Three weeks ago, the group, which already owns 9.8 percent of Gencorp's 22.2 million common shares outstanding, offered \$100 for each of the remaining shares.

After Gencorp spurned that offer as inadequate, General Partners

**Bell Group Raises Stake In Standard Chartered**

*Reuters*  
LONDON — Bell Group International Ltd., headed by Robert Holmes à Court of Australia, has raised its stake in Standard Chartered PLC to 14.9 percent from 10 percent, Bell's brokers, Warburg Securities, said Tuesday.

Mr. Holmes à Court's shareholding in Standard, of which he is now a director, dates from mid-1986 when he helped rescue the bank from a takeover attempt by Lloyds Bank PLC. Speculation centered Tuesday on whether Mr. Holmes à Court had raised his stake to be in a stronger bargaining position in case of another takeover attempt.

### COMPANY NOTES

**Argonaut Group Inc.**, a Los Angeles-based property and casualty insurer, said that Clarendon Group Ltd., a closely held Bermuda-based concern with other insurance operations, had made an unsolicited proposal to acquire it for \$37 a share. The offer values Argonaut, which was spun off by Teledyne Inc. in November, at \$43.2 million.

**Ashlon-Tata Inc.**, the California-based developer of the successful dBase database programs, is withdrawing a previously announced public offering of about 2 million shares of stock, saying it was reacting to the recent volatility in its shares. The volatility relates in part to announcements by International Business Machines Corp. that it will offer its own database management software on its new personal computers.

**Boeing Commercial Airplane Co.**, a subsidiary of the Boeing Co., has received orders from three airlines for six jumbo jets — three 757s, a 747-200 and a 737-300 — valued at about \$300 million. The customers are British Airways, Iberia Airlines and Southwest Airlines of Dallas.

**Chrysler Canada Ltd.** has signed an agreement to import 100,000 Mitsubishi small cars from MC Stuttgart Co. of Thailand between 1988 and 1993. These will be Thailand's first car exports. Chrysler Canada will

market the two- and four-door cars in Canada under the Dodge Colt name.

**Crusader Investment Ltd.** said it will buy a 11.24 percent stake in the Hong Kong company Chienco Ltd. for \$6 million in cash and stock as part of a plan to acquire Brazilian gold mining interests. Chienco, a newly formed privately held company, owns rights to gold mining and exploration in the Amazon Basin.

**Eie Development Co.** of Japan has bought the 620-room Regent Hotel in Sydney for 145 million Australian dollars (over \$102.4 million). Eie said the five-year-old luxury hotel would continue to be managed by Regent International Hotels.

**Honeywell Bus.**, a computer systems company formed last month by Honeywell Inc., Compagnie des Machines Bull of France and NEC Corp. of Japan, introduced a line of high-performance computers for medium and large companies. It also unveiled software for the new systems to facilitate patient care in hospitals and control inventory and production in factories.

**Trintex**, the New York-based videotex joint venture of Sears, Roebuck & Co. and IBM, plans to start operating in 1988, the company said. Trintex was formed in 1984 as a direct marketing, home shopping and advertising service for owners of personal computers.

## Bond Ruling Rattles Texaco Suppliers

*New York Times Service*  
By Thomas C. Hayes

DALLAS — Some suppliers of Texaco Inc. say they are concerned that the third-largest U.S. oil company may file for protection following Monday's Supreme Court ruling that it must appeal an \$11 billion bond requirement in the Texas state courts.

The bond requirement, which had been reduced to \$1 billion by a U.S. appeals court, was imposed when Texaco lost a court decision to Pennzoil Co. in 1985.

General Partners said Tuesday that "without the benefit of the additional information available to Gencorp management, it cannot compete economically with the company's proposal."

The group said its "most likely course of action" now would be to sell its Gencorp stake, although it said some of its principals might sell their stock in the open market rather than tender it to Gencorp.

General Partners bought its 2.18 million Gencorp shares at an average of \$81 a share. If all the stock was bought under Gencorp's offer, the group's profit would be about \$49 a share, or \$106.8 million.

However, because Gencorp is buying back only 54 percent of its shares, its offer is expected to be oversubscribed, meaning that shareholders who tender will be able to sell only a portion of their shares to the company.

In trading Tuesday on the New York Stock Exchange, Gencorp stock closed unchanged at \$118 a share.

The lawyer, David Boies, said

said last week it was willing to raise the bid to \$110 a share.

But Gencorp on Monday announced the restructuring plan that includes the repurchase of 54 percent of Gencorp's common stock for \$130 a share.

Gencorp, based in Akron, Ohio, also said it would help finance the buyback by shedding its tire, bottling and remaining broadcast operations, which accounted for about half of its \$3.1 billion in fiscal 1986 revenue.

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Monday that Texaco would be able to come up with a "framework for working something out" that might include assurances that it would not sell or otherwise dispose of assets valued at about \$11 billion or \$12 billion.

[On Tuesday, Texaco filed in the First Court of Appeals in Texas to enjoin the enforcement of the bond requirement. Reuters reported, quoting John Jeffers, an attorney for Pennzoil.

Mr. Jeffers said the filing contained a request to cut the amount of the bond to between \$1 billion and \$1.5 billion.]

Unless the bond question is resolved quickly, according to security analysts, Texaco could also face resistance in the credit markets that would make it difficult to conduct its business.

James W. Kinnear, Texaco's chief executive, said Monday that if the dispute remained unresolved, "Texaco would have no

alternative but to seek protection of its stockholders' interests under Chapter 11" of the Federal Bankruptcy Code.

Texaco, which had \$34.9 billion in assets at the end of 1986, would be by far the largest American company ever to enter bankruptcy proceedings. It reported a net worth of \$13.7 billion at the end of the year, with \$6.9 billion of long-term debt.

Texaco's shares, after falling \$4 on Monday, were up 12.5 cents at closing Tuesday on the New York Stock Exchange, to \$33.75.

The market value of all Texaco stock, now totaling \$8.1 billion, would be expected to fall dramatically if the company filed for protection because the interests of Texaco's thousands of creditors would be placed ahead of the stockholders in any reorganization plan. And the dividends paid to stockholders — \$3 a share last

year — would probably be ended.

Under Chapter 11, a company keeps operating.

J. Eugene Overmeyer, president and chairman of Tokheim Corp., of Fort Wayne, Indiana, which sells service station equipment and other products to Texaco, said he was seeking advice from lawyers and accountants about Texaco's situation.



David Boies

AP Wirephoto

## Japan Semiconductor Cuts May Lead to U.S. Shortage

*New York Times Service*  
By Andrew Pollack

SAN FRANCISCO — Japan's moves to cut the production of computer chips could lead to a shortage of the vital semiconductor, according to some computer and semiconductor industry executives.

The executives said they thought Japan's Ministry of International Trade and Industry was deliberately choking off the supply of chips to burn American computer makers. But others were skeptical that a shortage would arise soon.

The cuts come at a time when the Reagan administration has announced tariffs, scheduled to take effect April 17, on selected Japanese electrical and electronic products. Prime Minister Yasuhiro Nakasone of Japan urged Monday that the administration rescind them.

A shortage would be a sharp reversal from the situation of the past two years, when the world has been awash in silicon chips.

"I don't know if anyone's hurting right today, but they are anticipating a problem," said Vicente E. Henriques, president of the Computer and Business Equipment Manufacturers Association, whose members include major users of computer chips.

The production cuts have been ordered by the Japanese government in an attempt to mollify American critics who say that the Japanese have violated last year's trade agreement requiring Japan to

stop selling chips abroad for less than the production cost.

The cuts amount to more than 30 percent of production and are aimed at raising prices and denying supply to so-called gray marketeers, distributors who sell chips for low prices in Asian countries.

The trade ministry has also begun requiring export licenses for shipments valued at as little as \$10,000 yen (\$342), rather than \$4 million yen (\$6,850) as before.

Some chip makers in the United States charge that Japan wants to cut the supply of chips to burn American computer makers and turn them against the trade agreement.

**Drilling Tool Venture Formed by USX, Armcoc**

*Agence France-Presse*

HOUSTON — USX Corp. and Armcoc Inc., another steel company, have begun a joint venture to consolidate production of petro-

leum equipment.

The new company, National Oilwell, will be equally controlled by USX and Armcoc. It will employ 2,200 people, operate nine plants in the United States and abroad, and generate annual revenue of more than \$300 million, David Higbee, the joint venture's president, said Monday.

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### EDS Plans Japan Venture

*Reuters*

TOKYO — Electronic Data Systems Corp., the world's largest computer services company and a General Motors Corp. subsidiary, will set up a joint venture in Japan with Nippon Information Industry Corp., that software development company said Tuesday. Nippon Electronic Data Systems will introduce factory automation systems developed by GM.

### Net Asset Value on April 2, 1987

*The Associated Press*

LONDON — Two British employees of Merrill Lynch & Co. were dismissed and two others disciplined for running up £124,300 (\$201,000) in debts while gambling on the price movements of stocks and bonds, a spokesman said Tuesday. Merrill Lynch was informed of the debts by the bookmaker involved, City Index Ltd.

In a statement released late Monday, UAL said it would consider the offer. But it indicated that, as analysts expected, it would take a dim view of selling its best-known asset to the pilots' union.

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## CBS to Pay Wyman Several Million

By Arthur Higbee

*International Herald Tribune*

Thomas H. Wyman, forced out chairman of CBS Inc. last September, has received a settlement that could reach more than \$4.3 million and an annual payment of \$400,000 for life, according to a CBS proxy statement.

Mr. Wyman, 57, also received the right to exercise stock options worth an undisclosed amount, according to the proxy, which was released Monday. Mr. Wyman received \$1.1 million in salary and bonuses for 1986.

The proxy statement showed that Laurence A. Tisch, 64, the chief stockholder, who took over from Mr. Wyman as chief executive, will be paid \$750,000 this year. Mr. Wyman left CBS after losing a boardroom battle with Mr. Tisch over the company's direction.

The agreement with Mr. Wyman, 57, called for his employment to continue through the end of last year, for which he was paid \$808,654 in base salary and \$293,859 in bonuses, the proxy showed.

"Mr. Wyman's settlement called

for him to collect \$555,756 last Jan. 6 as payment of his accrued bonus credits and \$3.8 million in 10 annual installments, or a lump-sum payment of \$2.8 million next January.

It also required CBS to provide an office and a secretary for Mr. Wyman through 1987.

When queried by The New York Times, CBS declined to comment on the settlement. Mr. Wyman could not be reached for comment.

The proxy said that senior officers of the company would not be awarded stock options, an apparent reflection of the company's poor performance last year.

The proxy noted the contract settlement of an unnamed "executive officer" of the company. The Times said he was identified by CBS officials as Van Gordon Sauter, the former president of CBS News, who was forced to resign the day after Mr. Wyman left in New York.

Wheeling-Pittsburgh Steel Corp. said its board accepted the resignations of John D. Fry, president and chief operating officer, and Francis P. Massco, vice president, secretary and general counsel. This follows the resignation of George A. Ferris on March 17 as the company's

chief executive officer. Lloyd C. Lubensky, the chairman, said the Fry and Massco resignations were the result of a disagreement over the granting of increases in executive compensation several months ago without full board approval.

Christopher Cedergren, an automotive-marketing research firm based in Westlake Village, California, estimates that 1.4 million minicars, 12 percent of the U.S. auto market, will be sold in this country in 1991.

Most of those will be imports, brought in from Brazil, India, Japan, South Korea, Malaysia, Mexico, Taiwan and Yugoslavia.

**MINIS: Cheap Imported Cars Projected to Take 12% of U.S. Market by 1991**

(Continued from first finance page)

"Our cars just can't afford those prices," said Global's Mr. Prior. "Yugo basic Yugo GV carries the same \$3,990 point-of-entry sticker that it came with in 1983."

Taxes, tags, options and other costs could boost the Yugo GV's final price into the \$5,500 range. But if that \$1,500 in extra charges were added to a \$5,000 base sticker, about 40 percent of Yugo's buyers could not afford to buy a car of any kind, Mr. Prior said.

"That extra \$1,500 on a typical payment plan is about \$38 a month," Mr. Prior said. "The conventional wisdom says that for another \$38, you might as well go with something that has a proven record, a Toyota or something like that. But for a lot of the customers of Yugo, that extra \$38 a month is a gift that cannot be bridged."

Minicars usually have overall lengths of 150 inches (380 centimeters) or less and are powered by engines of less than 1.5 liters in displacement. Base sticker prices for the minis start from the Yugo GV's current \$3,990 and go up to about \$6,500.

In 1986, 582,894 minicars and light-bodied subcompact models were sold in the United States, compared with 497,623 sold the previous year, according to Detroit-based Ward's Research.

**The Yugo could be a 'truly disposable car. You drive the hell out of it for three years and then you throw it away.'**

— Christopher Cedergren, auto-industry analyst

Whether all of these countries can produce cars that Americans will accept is not known. But Korea already is emerging as a major player in the minicar field, particularly with the stunning U.S. introduction last year of its 1.5-liter Hyundai Excel car, produced by Hyundai Motor Co.

Hyundai said its goal was to sell 100,000 of its subcompact Excel models in the United States in 1986. But the company broke all introductory-year import sales records by selling 168,882 cars.

That kind of success is bound to attract more minicar competitors,

said Christopher Cedergren, an analyst with J.D. Power. "We're going to see a tremendous influx of these low-priced cars, many of which will be of good quality and fun to drive," Mr. Cedergren said.

Mr. Ingram, of the used-car group, said he is certain that minicar sales will grow, but is skeptical about the quality of the tiny, mostly front-wheel-drive vehicles. Those defects, coupled with unfavorable media reviews of the Yugo, helped to knock the Yugo off its 1986 U.S. sales target of 60,000 cars. That year, the company sold 35,970 of the Yugo models, which are based on the Fiat 128.

But the problems are now corrected, Mr. Prior said. Zavodi, Crvena Zastava, or Red Flag Works, made at least 176 production changes in the Yugo, correcting such things as faulty wiring harnesses, according to Mr. Prior and other Global Motors officials.

The changes have improved the Yugo's quality, Mr. Prior said. And Mr. Cedergren, the J.D. Power analyst, agrees.

"I tend to be a little bit more bullish on Yugo than I was in the past," Mr. Cedergren said. "If the quality continues to improve, Zastava could be the first manufacturer of the truly disposable car. You drive the hell out of it for three years and then you throw it away. Who cares about the resale value of a disposable car?"

## 3 Aides Resign At Lear Siegler

*New York Times Service*

SANTA MONICA, California — The new owners of Lear Siegler Inc. said that Norman A. Barkley, president, chairman and chief executive officer, had resigned, as had two other executives.

Forstmann Little & Co. led a \$2.1 billion leveraged buyout of Lear in January. It said Richard W. Vieser, a Forstmann official, would succeed Mr. Barkley.

Ronald V. Paolucci, both Lear senior vice presidents, are to be succeeded by Robert A. Kenkel, a Forstmann manager who has been named executive vice president and chief operating officer.

## Our biggest market is 30,000 feet up.

AM Aeromexico	RK Air Afrique	AH Air Algiers	AC Air Canada	AF Air France	AI Air India	IT Air Inter	UL Air Lanka
CO Air Macau	RJ Alitalia	OS Austrian Airlines	BB Bolair	BG Bangladeshi Airlines	BA British Airways	BR British Caledonian	CA CAAC Cathay Pacific
LX Crossair	DI Delta	LY Egyptair	ET Ethiopian Airlines	AY Garuda Indonesia Airways	GF Gulf Air	IB Iberia	KL KLM Royal Dutch Airlines
LH Lufthansa	MH Malaysian Airline System	ME MEA	NW Northwest Airlines	OA Olympic Airways	PK Pakistan International Airlines	PR Pan American World Airways	QF Singapore Airlines
SV Saudi	SK Scandinavian Airlines	SQ Singapore Airlines	SA South African Airways	SR Swissair	TP TAP Air Portugal	TG Thai Airways International	UA United Airlines

## Herald Tribune BUSINESS/FINANCE

### BIGGER & BETTER.

The Trib's business section is now bigger and better than ever. Every day it's packed with the business news you need. And much, much more.

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Eurobonds/International Credit

and World Stocks in Review

Tuesday: International Stock Markets

and Commodities

Wednesday: International Manager

Thursday: Wall Street Watch

Friday: Technology

Saturday: Economic Scene/Business Profile

Wednesday/Thursday/Friday: Business People

Tuesday through Saturday: Currency Markets/Euromarkets

Personal Investing

on the second Monday

of every month.

And the latest financial

figures every day.

### LUXLANE S.A.

Notice is hereby given that the Annual General Meeting of the company will be held at the offices of Hoogewerf & Co. S.A. (HOCOLUX), 25, Boulevard Royal, Luxembourg, on Friday, April 17th, 1987, at 10:00 a.m. to conduct the ordinary business of the company.

The official agenda of the meeting and copies of the latest annual report and audited accounts will be available as from March 25th, 1987, for collection from the offices of HOCOLUX and the specified paying agents.

Shareholders may vote at the meeting either by attending in person with their share certificates or by depositing their certificates with a bank. In the latter case special bank depositary receipts to the order of a specified paying agent, voting certificates and certificates of block voting instructions must be filed with a specified agent by 2:00 p.m. on Wednesday, April 15th, 1987. The certificate of block voting instruction, voting certificates and special bank depositary receipts may be obtained from a specified paying agent.

By order of the Board  
F.N. Hoogewerf  
Secretary  
Panama 5

Paying agents: Banque Générale de Luxembourg S.A.  
27 Avenue Monterey,  
Luxembourg.

Ras Brothers PLC  
King's House,  
36-37 King Street,  
London EC2,  
England.



"Don't let the good things in life pass by..."

**Tuesday's  
AMEX  
Closing**

**Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.**

(Continued on next page)

# WORDS.

# FACTS.

A "library" on an airplane? Why not? Iberia now offers its Gran Class, First Class, Business Class and VIP Lounge customers an extensive collection of great Spanish literature in English, Spanish and French. Allowing you to travel with some of Spain's most fascinating travelling companions. As a complimentary gift from Iberia to you.

Because Iberia believes that service should consist of more than simple common courtesy. A smile can often cheer a tired businessman, but so can a tempting menu and a cup of coffee that's fresh-brewed and piping hot. An entire host of small details, such as our new on-board library, promises to make your journey with us a warm and pleasurable one.

Iberia stands proud as Europe's third largest airline, with a fleet of 85 planes flying to 81 worldwide destinations, but we have built our reputation on fine personal service. So the next time you fly, ask your Travel Agent about Iberia. We are not only worldwide. We are at your beck and call.

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## SPORTS

**Davis Leads Reds to 11-5 Victory in Opener**

Compiled by Our Staff From Dispatches

**CINCINNATI** — The largest regular-season baseball crowd in Riverfront Stadium history witnessed a phenomenon that has been predicted all spring — the dominance of Eric Davis.

The Cincinnati Reds crushed the Montreal Expos, 11-5, on opening day Monday, with Davis providing

pitch over the center-field wall. An Astrodome record opening-day crowd of 44,585 saw winner Mike Scott, last year's Cy Young Award winner, give up eight hits and three runs in seven innings.

**Giants 4, Padres 3:** In San Francisco, Chili Davis singled home Jeffrey Leonard from second base with two out in the 12th to win the Giants' split Larry Bowa's major-league managing debut. Leonard singled with two outs, and pinch-hitter Bob Melvin followed with a single. Davis got his game-winning hit off reliever Dave Dravecky, making up for lining into an inning-ending double play in the 10th after San Francisco loaded the bases.

**Brewers 5, Red Sox 1:** In the American League, in Milwaukee, Robin Yount drove in two runs with a single and a double and Jim

Granzer added three hits to lead the Brewers past Boston.

**Orioles 2, Rangers 1:** In Baltimore, Cal Ripken Jr. joined Milwaukee's Tom Trebelhorn as a winner in his major-league managing debut when Jerry Sheets' ninth-inning sacrifice fly scored Rene Gonzales.

With one out in the ninth, Ray Knight singled off reliever Greg Harris; pinch runner Gonzalez advanced to third when Harris' pickup throw was wild. Harris intentionally walked Terry Kennedy and Jim Dwyer loading the bases, before Sheets' hit forced a 3-2 pitch to center field.

**Yankees 2, Tigers 1:** In Detroit, Lloyd Moseley's bases-empty homer was the first hit of the 1987 season, and he added a bases-loaded single to power the Blue Jays past Cleveland.

(UPI, AP)

**BASEBALL ROUNDUP**

A résumé of his skills. The 24-year-old center fielder went 3-for-3 (including a home run), walked twice, stole two bases, scored two runs and drove in three runs.

A crowd of 55,166, which had started to boo when the Reds fell behind 4-0 after two innings, went wild as the home team turned a 5-2 deficit into an 11-5 advantage with a nine-inning fourth inning.

And Davis was at the heart of it. He reached base twice in the fourth, stealing second base twice and scoring two runs.

Davis opened the Reds' biggest inning in nearly two years with a walk off starter and loser Floyd Youmans; he stole second, took third on a groundout and scored on a single by Bo Diaz.

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(UPI, AP)



Richard Shinn/Associated Press

Yankee left fielder Dan Pasqua outreached some Tiger fans to snag a fourth-inning pop fly.

Sugar Ray Leonard, connecting with a hard left in the opening round of his title fight against Marvelous Marvin Hagler.

**Leonard Defeats Hagler on Split Decision**

By William Gildea

Washington Post Service

**LAS VEGAS** — Sugar Ray Leonard made boxing history Monday night.

In one of the most improbable victories in the history of the sport, the former welterweight champion made good on his prophecy of a victorious comeback, scoring a 12-round split decision over the heavily favored Marvelous Marvin Hagler, who had not lost in 11 years and who had held the middleweight title since September 1980.

Fighting for only the second time in five years, Leonard, 30, rendered a masterful boxing exhibition, alternately surviving punishment, and dazing and taunting Hagler. Reclaiming from 1975-81 his old speed, timing, combination punching power and ability to take punishment, Leonard lifted the World Boxing Council's version of the middleweight title from a relentless stalker who had not been beaten in 37 straight fights, including 12 title defenses.

Two judges, Jo Jo Guerra and Dave Moretti, ruled in favor of Leonard, 118-110 and 115-113, respectively. The third judge, Lou Filippo, scored the fight 115-113.

Leonard left the ring without injury to his left eye, the one that was surgically repaired in 1982 after taking the best punches of a champion known for his relentless, attacking style.

In a victory that momentarily left him exhausted — moments after the final bell he slumped to the canvas and had to be lifted by his trainers — Leonard (34-1, with 24 knockouts) became the 10th fighter to win titles in three weight classes and the first champion ever to come out of retirement and win a title at a higher weight level without benefit of a tuneup fight. As he had predicted, he had defied history.

The pivotal round was the ninth. Leonard's virtuous performance might have gone for naught had he not been able to call upon all his savvy to survive an outright punting by Hagler. Still coy but bold, Leonard called upon all his

resources to save his great dream.

"Everybody thought it was an impossible task — that's what everybody said," Leonard said later; "I prepared myself for a year. This is the first time a young guy was against an older guy in a comeback. This fight meant the world to me. I'd like to extend my congratulations to Marvin Hagler for giving me the opportunity to make history."

Leonard declined to say whether he would fight again. "I'm just going to go home and rest," he said, "rest up and take one day at a time." But before leaving the news conference, he said: "I'll see you in six months and 15 pounds" — which sounded as if he might want to fight a light-heavyweight bout, possibly with Thomas Hearns.

From the outset, Leonard kept to his plan, winning the first two rounds on all scorecards and the first four rounds rounds on two cards. Making Hagler miss repeatedly, he scored with combinations to the head, and following each flurry dropped back and circled the relentlessly pursuing Hagler (62-3, 52 knockouts).

Leonard scored effectively with lead right hands and rights to the body while ducking or sidestepping right hooks from the left-handed Hagler. Frustrated, Hagler at times shifted to a right-handed stance, but still could not land effectively often.

Despite carrying 158 pounds (71.6 kilograms), about 10 more than he did almost his entire career, Leonard did not wilt. In the fifth round, scored unanimously for Hagler, he seemed to lack his earlier zip. Picking up the tempo, Hagler, 32, rocked Leonard with a straight right to the head followed by an uppercut.

In the sixth round, Hagler (158½ pounds) opened with a right to the face, but Leonard responded with a combination to the body. As would happen frequently from this point on, Leonard found himself pinned on the ropes, but managed to jab his way free, making Hagler miss badly with roundhouse rights and lefts.

Hagler scored three solid rights

in the seventh, and it appeared he might be coming back. But Leonard shuffled away, only to be pinned against the ropes as Hagler scored heavily with combinations.

In the eighth round Leonard got a badly needed breather. The fight was stopped briefly as loose laces on his right glove were tightened. Refreshed, Leonard landed two hard rights to the head as Hagler again backed him to the ropes.

The ninth round brought the crisis that could have turned the fight for Hagler. Against the ropes, Leonard elected to continue working inside against Hagler and got caught with four left hands that might have sent a lesser man down.

Instead, Leonard came back slugging in a round reminiscent of the first round in the Hagler-Hearns fight of two years ago. Toe-to-toe, Leonard and Hagler produced one of the great rounds in boxing history. At its end, Leonard swayed as he headed for his corner. But showing extraordinary resilience, Leonard came back to resume in the 10th round his successful hit-and-run tactics of the early rounds.

Not only did Leonard survive the last two rounds against a puncher notorious for strong finishes; he continued to pile up points with his deft combinations. He even taunted Hagler.

In the 12th round, Hagler motioned Leonard forward as if to say, "Fight." And fight Leonard did. Circling with his earlier verve — thus confounding skeptics who thought he would wear down from his long absence from the ring and Hagler's punching power — Leonard scored almost as frequently as Hagler in the final round.

Sensing he was ahead on points, Leonard played it perfectly. He did not run blatantly, nor did he make the nearly fatal mistake he had in the ninth round by slugging. Jabs and combinations carried him to the finish with the sellout crowd of 15,366 on its feet.

"I feel in my heart I'm still the champion," Hagler said. "Leonard was tired and had lead in his feet. I took his best punches. The bell

rang and Leonard was still the champion." Hagler (34-1, with 24 knockouts) became the 10th fighter to win titles in three weight classes and the first champion ever to come out of retirement and win a title at a higher weight level without benefit of a tuneup fight. As he had predicted, he had defied history.

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**Europe's Have-Nots Get Their Shots in Cup Soccer Semifinals**

International Herald Tribune

**LONDON** — Money talks in European soccer, but not, thank goodness, exclusively.

Much to UEFA's chagrin, the rich have "devoured the rich" this season — a consequence of leaving cup draws open to chance, which is the essence of cup soccer. Never again. The glamour clubs are to UEFA what Joan Collins is to soap opera: compulsive box office, even if unkind critics view them as past their best.

What did you say your annual budget is at Dundee?" scoffed Barcelona's president, Jose Luis Nunez, before the last meeting. "Ah yes, about half what we spend on our basketball team." Nunez was right to be tough.

But none is expected to be tough as Davis, who hit 27 home runs and stole 80 bases in 132 games last year in his first full major-league season.

It was Cincinnati's fifth consecutive season-opening victory.

**Astros 4, Dodgers 3:** In Houston, Jose Cruz hit a two-out home run in the seventh inning to snap a 3-3 tie and lift the Astros past Los Angeles. Cruz put Orel Hershiser's 2-0

McLean was wheeled in front of the cameras.

"Make no mistake," he said. "It's easy to plan, but it's players who have to be magnificent. We've got players here with over 60 games in Europe behind them. They've torn Barcelona apart. I'm so proud I'll

**ROB HUGHES** probably have two ginger beers tonight instead of just the one."

No hangover for McLean. But his physiotherapist grapples to get three more fit, including Scotland's national goal Billy Thomson, whose ankle ligaments may have to be strapped up to play. The replacement, Alan Main, is a teenage novice.

Pain is part and parcel of poverty, and Paul Sturrock the epitome of Dundee's stoicism.

Wiry and deceptive, Sturrock plays with socks carelessly abandoned around his ankles while teasing some of Europe's hard men. Now 30, and an inspiration in every round, Sturrock wriggles this way and that, darting from the left and making the majority of the team's goals with his crosses.

England's graying train passed him. But after seeing Europe eyes look for something more elegant, something more tangible than the spirit that drives Sturrock, in his manager's image, to fight lost causes. He blithely likes a schoolboy if you pay him a compliment.

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says the Lokomotiv coach, Hans-Ulrich Thomale. "But not many we could not overcome with our competitiveness and collective work."

Bordeaux may not be enamored of running into a train four days before meeting Marseille, its rival for the French domestic title. Similar scheduling threatens Real Madrid. On Wednesday it carries Spain's hopes in Munich; come the weekend, any remaining stamina and confidence will be put to the test.

Whether Dundee spirit or Mönchengladbach stealth prevails, the final will be against Göteborg or Tiro.

Göteborg, still built around the Tord brothers and Tommy Holmgren who won the UEFA Cup in 1982, has a 6-foot-4

